

Copy Application

**Baptist Center for Cancer
Care**

CN1211-057

2012 NOV 15 PM 4: 23

November 12, 2012

Melanie Hill, Executive Director
Health Services and Development Agency
500 Deaderick Street, Suite 850
Nashville, TN 37243

RE: Certificate of Need Application
Baptist Center for Cancer Care

Dear Ms. Hill:

Enclosed are three copies of the Certificate of Need application for the Baptist Center for Cancer Care at Baptist Memorial Hospital-Tipton. A check for \$45,000.00 is enclosed for the review fee.

Thank you for your attention.

Sincerely,


A handwritten signature in cursive script, appearing to read "Arthur Maples".

Arthur Maples
Dir. Strategic Analysis

Enclosure

DATE	INVOICE NO.	P.O. NO.	AMOUNT OF INVOICE	DEDUCTIONS	BALANCE
11/12/12 **RG P/U E ROSE CON FEE FOR	1812 BMH TIPTON CANCER CENTER		45000.00	00.00	45000.00

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND AND MICROPRINTING. DO NOT CASH IF MISSING.

 **BAPTIST**[®]
Memorial Health Care
350 N. Humphreys Blvd.
Memphis, Tennessee 38120

26-2
840



1578915

CHECK DATE	AMOUNT
11/13/12	45000.00

PAY Forty-five thousand and 00/100

TO THE ORDER OF STATE OF TENN
HLTH SVCS & DEVELOPMENT AGENCY
500 DEADERICK ST
SUITE 850
NASHVILLE TN 37243

THE FIRST TENNESSEE BANK, NA


AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE

2012 NOV 15 PM 4: 23

**CERTIFICATE OF NEED
APPLICATION**

**RELOCATION AND
MODIFICATIONS TO
BAPTIST CENTER FOR CANCER CARE**

**BAPTIST MEMORIAL HOSPITAL - TIPTON
November 2012**

1.	<u>Name of Facility, Agency, or Institution</u> <div style="display: flex; justify-content: space-between;"> Baptist Center for Cancer Care 2012 NOV 15 PM 4: 23 </div> <div style="display: flex; justify-content: space-between;"> Name </div> <div style="display: flex; justify-content: space-between;"> 50 Humphreys Boulevard and property at 80 Humphreys Center and 6029 Walnut Grove Road </div> <div style="display: flex; justify-content: space-between;"> Street or Route </div> <div style="display: flex; justify-content: space-between;"> Shelby Memphis TN 38120 </div> <div style="display: flex; justify-content: space-between;"> County City State Zip Code </div>			
2.	<u>Contact Person Available for Responses to Questions</u> <div style="display: flex; justify-content: space-between;"> Arthur Maples Dir. Strategic Analysis </div> <div style="display: flex; justify-content: space-between;"> Name Title </div> <div style="display: flex; justify-content: space-between;"> Baptist Memorial Health Care Corporation Arthur.Maples@bmhcc.org </div> <div style="display: flex; justify-content: space-between;"> Company Name Email address </div> <div style="display: flex; justify-content: space-between;"> 350 N. Humphreys Blvd. Memphis TN 38120 </div> <div style="display: flex; justify-content: space-between;"> Street or Route City State Zip Code </div> <div style="display: flex; justify-content: space-between;"> Employee 901-227-4137 901-227-5004 </div> <div style="display: flex; justify-content: space-between;"> Association with Owner Phone Number Fax Number </div>			
3.	<u>Owner of the Facility, Agency or Institution</u> <div style="display: flex; justify-content: space-between;"> Baptist Memorial Hospital - Tipton 901-476-2621 </div> <div style="display: flex; justify-content: space-between;"> Name Phone Number </div> <div style="display: flex; justify-content: space-between;"> 1995 Highway 51 South Tipton </div> <div style="display: flex; justify-content: space-between;"> Street or Route County </div> <div style="display: flex; justify-content: space-between;"> Covington TN </div> <div style="display: flex; justify-content: space-between;"> City State </div> <div style="display: flex; justify-content: space-between;"> 38019 </div> <div style="display: flex; justify-content: space-between;"> Zip Code </div>			
4.	<u>Type of Ownership of Control (Check One)</u> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> A. Sole Proprietorship _____ B. Partnership _____ C. Limited Partnership _____ D. Corporation (For Profit) _____ E. Corporation (Not-for-Profit) <u> X </u> </div> <div style="width: 45%;"> F. Government (State of TN or Political Subdivision) _____ G. Joint Venture _____ H. Limited Liability Company _____ I. Other (Specify) _____ _____ </div> </div>			

PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

5. **Name of Management/Operating Entity (If Applicable)**

Baptist Memorial Hospital - Tipton
 Name
 1995 Highway 51 South
 Street or Route
 Covington
 City
 TN
 State
 Tipton
 County
 38019
 Zip Code

PUT ALL ATTACHMENTS AT THE END OF THE APPLICATION IN ORDER AND
 REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

6. **Legal Interest in the Site of the Institution (Check One)**

A. Ownership X D. Option to Lease X
 B. Option to Purchase _____ E. Other (Specify) _____
 C. Lease of 5 Years X

PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND
 REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

7. **Type of Institution (Check as appropriate--more than one response may apply)**

A. Hospital (Hospital Outpatient Dept) X I. Nursing Home _____
 B. Ambulatory Surgical Treatment Center (ASTC), Multi-Specialty _____ J. Outpatient Diagnostic Center _____
 C. ASTC, Single Specialty _____ K. Recuperation Center _____
 D. Home Health Agency _____ L. Rehabilitation Facility _____
 E. Hospice _____ M. Residential Hospice _____
 F. Mental Health Hospital _____ N. Non-Residential Methadone Facility _____
 G. Mental Health Residential Treatment Facility _____ O. Birthing Center _____
 H. Mental Retardation Institutional Habilitation Facility (ICF/MR) _____ P. Other Outpatient Facility (Specify) _____
 Q. Other (Specify) _____

8. **Purpose of Review (Check) as appropriate--more than one response may apply)**

A. New Institution _____ G. Change in Bed Complement [Please note the type of change by underlining the appropriate response: Increase, Decrease, Designation, Distribution, Conversion, Relocation]
 B. Replacement/Existing Facility _____
 C. Modification/Existing Facility _____
 D. Initiation of Health Care Service as defined in TCA § 68-11-1607(4) (Linear Accelerator, PET) X H. Change of Location(PET/CT) X
 E. Discontinuance of OB Services _____ I. Other (Specify) _____
 F. Acquisition of Equipment X

9. **Bed Complement Data**

Please indicate current and proposed distribution and certification of facility beds.

	Current Beds Licensed	*CON	2012 Staffed Beds	Beds Proposed	TOTAL Beds at Completion
A. Medical	76		32		76
B. Surgical					
C. Long-Term Care Hospital					
D. Obstetrical	10		10		10
E. ICU/CCU	8		4		8
F. Neonatal					
G. Pediatric	6		4		6
H. Adult Psychiatric					
I. Geriatric Psychiatric					
J. Child/Adolescent Psychiatric					
K. Rehabilitation					
L. Nursing Facility (non-Medicaid Certified)					
M. Nursing Facility Level 1 (Medicaid only)					
N. Nursing Facility Level 2 (Medicare only)					
O. Nursing Facility Level 2 (dually certified Medicaid/Medicare)					
P. ICF/MR					
Q. Adult Chemical Dependency					
R. Child and Adolescent Chemical Dependency					
S. Swing Beds					
T. Mental Health Residential Treatment					
U. Residential Hospice					
TOTAL	100		50		100

*CON-Beds approved but not yet in service

10. Medicare Provider Number 44-0131
Certification Type Hospital

11. Medicaid Provider Number 0440131
Certification Type Hospital

12. If this is a new facility, will certification be sought for Medicare and/or Medicaid?

13. **Identify all TennCare Managed Care Organizations/Behavioral Health Organizations (MCOs/BHOs) operating in the proposed service area. Will this project involve the treatment of TennCare participants? Yes If the response to this item is yes, please identify all MCOs/BHOs with which the applicant has contracted or plans to contract.**

TN Care MCOs: BCBST Blue Care, TN Care Select, Americhoice

Discuss any out-of-network relationships in place with MCOs/BHOs in the area.

NOTE: **Section B** is intended to give the applicant an opportunity to describe the project and to discuss the need that the applicant sees for the project. **Section C** addresses how the project relates to the Certificate of Need criteria of Need, Economic Feasibility, and the Contribution to the Orderly Development of Health Care. **Discussions on how the application relates to the criteria should not take place in this section unless otherwise specified.**

SECTION B: PROJECT DESCRIPTION

Please answer all questions on 8 1/2" x 11" white paper, clearly typed and spaced, identified correctly and in the correct sequence. In answering, please type the question and the response. All exhibits and tables must be attached to the end of the application in correct sequence identifying the questions(s) to which they refer. If a particular question does not apply to your project, indicate "Not Applicable (NA)" after that question.

- I. Provide a brief executive summary of the project not to exceed two pages. Topics to be included in the executive summary are a brief description of proposed services and equipment, ownership structure, service area, need, existing resources, project cost, funding, financial feasibility and staffing.

Executive Summary

The purpose of this certificate of need application is to relocate and modify scope of the project approved by the HSDA in August 2011, in CN1105-018A for Baptist Memorial Hospital-Tipton (BMHT) d\b\ a Baptist Center for Cancer Care. The certificate of need was issued:

" to construct a comprehensive cancer center; to initiate linear accelerator and positron emission tomography (PET) services; and to acquire major medical equipment and related assets currently owned by Baptist Memorial Hospital-Memphis (BMHM). The new facility will include a full array of oncology services and programs and will be operated as an outpatient department of Baptist Memorial Hospital-Tipton...."

The Cancer center construction was to have been in approximately 105,921 square feet of newly constructed space at 1238 and 1280 South Germantown Parkway, Germantown (Shelby County), TN 38138 at an estimated cost of \$64,925,225.

As the cancer center construction plans were being refined, the dynamics of merging outpatient oncology services into one location while providing flexibility to adjust for advancements in delivery options generated a larger facility that exceeded the parameters of the approved CON. The original 105,921 square feet space program grew to 153,211 square feet and the cost of the new construction increased. An application to modify the original application at the Germantown site was submitted but was withdrawn to be replaced with this proposal at a site closer to the BMHM campus. The proposed location for the facility will improve patient and staff access to other complex services that a cancer patient may need at BMHM. In addition, the combination of renovation with new construction and the use of leased space in

existing office buildings will provide flexibility in a more cost effective manner. Leased space will be used for "Multi D" clinics to be located where a patient can conveniently meet with doctors and professionals from multiple disciplines. Clerical, administrative and support functions will also be located in leased space in the office buildings on adjacent properties.

Momentum for the project continues since CN1105-018A was approved. Physician involvement has continued to grow along with community interest. Three oncology foundations have joined the Baptist Medical Group with 27 physicians and 10 nurse practitioners joining the BMHT medical staff. The recent completion of the affiliation of the Baptist Cancer Center and the Vanderbilt-Ingram Cancer Center will contribute to enhancing the level of cancer care in the region.

The type of cancer services that require CON review have not changed from the original application. BMHT acquired a PET/CT unit that will be updated when it is relocated to the new cancer center. The linear accelerators, including the cyberknife, will be relocated from BMHM with one of the accelerators also being updated at the time of the relocation. The costs of replacing the 2 major medical equipment items, the PET/CT and one linear accelerator, are included in this application although the replacements could occur without CON approval. The infusion services that will be located in renovated space with 48 infusion stations and additional space for growth. Other spaces that have changed from the original application are indicated on the Chart following this page.

The financial feasibility of the project is enhanced by relocating the center. The construction cost is less and other reductions are achieved that are not apparent from the Project Costs Chart. The market value of the site is shown as \$11 million although Baptist Memorial Health Care Corporation (BMHCC) already owns the land that will be transferred to BMHT. Thus, the site is not a cost to the system but rather a movement of assets within BMHCC.

As a request to modify and relocate a previously approved project, this application updates the financial charts and projections to demonstrate that the project continues to be economically feasible.

An Attachment has been included to outline areas that have changed in this application to relocate and modify the center. Please refer to Attachment titled Factors in Modification Proposal.

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

- A. Describe the construction, modification and/or renovation of the facility (exclusive of major medical equipment covered by T.C.A. § 68-11-1601 et seq.) including square footage, major operational areas, room configuration, etc. Applicants with hospital projects (construction cost in excess of \$5 million) and other facility projects (construction cost in excess of \$2 million) should complete the Square Footage and Cost per Square Footage Chart. Utilizing the attached Chart, applicants with hospital projects should complete Parts A.-E. by identifying as applicable nursing units, ancillary areas, and support areas affected by this project. Provide the location of the unit/service within the existing facility along with current square footage, where, if any, the unit/service will relocate temporarily during construction and renovation, and then the location of the unit/service with proposed square footage. The total cost per square foot should provide a breakout between new construction and renovation cost per square foot. Other facility projects need only complete Parts B.-E. Please also discuss and justify the cost per square foot for this project.

If the project involves none of the above, describe the development of the proposal.

Response:

The chart is completed on the following page. An additional chart is provided to compare space in the original application to this modification

- B. Identify the number and type of beds increased, decreased, converted, relocated, designated, and/or redistributed by this application. Describe the reasons for change in bed allocations and describe the impact the bed change will have on the existing services.

Response:

Not applicable - no beds are involved in this project.

SQUARE FOOTAGE AND COST PER SQUARE FOOTAGE CHART

A. Unit / Department	Existing Location	Existing SF	Temporary Location	Proposed Final Location	Proposed Final Square Footage			Proposed Final Cost\$/ SF and Total		
					Renovated	New	Total	Renovated	New	Total \$
Blood Draw	50 H				2,762		2,762	180		497,160
Multi D Center	50 H				3,255		3,255	180		585,900
Chapel	New					435	435	180	281	122,235
Chemo Infusion	50 H/ New				16,761	6,160	22,921	180	281	4,747,940
Education	New					3,091	3,091	180	281	868,571
Entry Lobby	New					520	520	180	281	146,120
Environmental Services	50 H/ New				870	313	1,183	180	281	244,553
Family Conference	New					404	404	180	281	113,524
Imaging	New					12,711	12,711	180	281	3,571,791
Info Technology	New					288	288	180	281	80,928
Materials Management	50 H/ New				1,141		1,141	180	281	205,380
Pharmacy	50 H/ New				3,583		3,583	180	281	644,940
Outpatient Pharmacy	50 H/ New				539		539	180	281	97,020
Public Restrooms	New					582	582	180	281	163,542
Radiation Vaults	New					5,077	5,077	180	640	3,249,280
Radiation Oncology	New					14,149	14,149	180	281	3,975,869
Family Rsource Center	50 H/ New				1,180	841	2,021	180	281	448,721
Future Shell	50 H/ New				1,693		1,693	180	281	304,740
Stem Cell Transplant/Mal.	50 H/ New				11,609		11,609	180	281	2,089,620
Connector to 80 H	New					470	470	180	281	132,070
Canopy Entry	New					1,500	1,500	180	168	252,000
Stat Lab	New					2,525	2,525	180	281	709,525
Deli	New					842	842	180	281	236,602
Janitor	New					74	74	180	168	12,432
Administration	New					3,355	3,355	180	281	942,755
Data Center	New					1,687	1,687	180	281	474,047
Genetics	New					1,687	1,687	180	281	474,047
Maintenance	New					764	764	180	168	128,352
Multi D Head & Neck	New					7,083	7,083	180	281	1,990,323

SQUARE FOOTAGE AND COST PER SQUARE FOOTAGE CHART

Rehab Therapy	New						2,938	2,938	180	281	825,578
B. Unit/Depart. GSF											
Sub-Total						43,393	67,496	110,889			28,335,565
C. Mechanical/ Electrical GSF							7,940	7,940			1,770,986
D. Circulation /Structure GSF						748	14,442	15,190			3,498,449
E. Total GSF						44,141	89,878	134,019			33,605,000

Leased areas and 4 initial term cost:

Location	Rentable Area(Sq Ft)	Cost (\$)
80 Humphreys	9,642	
6029 Walnut Grove	4,550	
Total	14,192	1,674,647

Total Leased/Built/Renovated 148,211 sq ft 35,279,647

Penthouse MOB Mechanical 5,000
153,211 Total Area

Functional Area Requiring Expansion	Proposed by CN1105-018A	Changes from Original Project: Increase (Decrease)	Proposed by this project
Total Square footage	105,291 SF	52,688 SF	
Laboratory	-	2,525	2,525
		-	
Blood Draw	350	2,412	2,762
		-	
Chemo Infusion	12,008	10,913	22,921
		-	
Pharmacy	1,750	2,372	4,122
		-	
Medical Imaging	5,186	4,578	9,764
PET	570	526	1,096
CT Scan	-	1,116	1,116
Radiographic Rm.	380	43	423
Nuclear Medicine	518	(518)	-
Ultrasound Rm.	-	312	312
		-	
Radiation Oncology	11,592	2,557	14,149
Radiation Vaults	4,600	477	5,077
		-	
Other Clinical areas		-	
Interdisciplinary Clinics	3,500	10,830	14,330
Stem Cell Transplant	2,500	9,109	11,609
Tumor Registry			
Research	-		
Genetics	-	1,687	1,687
Clinical Trials	-	1,512	1,512
Rehab Therapy		2,938	2,938
		-	
Support Areas		-	
Lobby/Common Spaces	3,614	(2,574)	1,040
Chapel	400	35	435
Family Conference	-	404	404
Education	4,000	(909)	3,091
Library	1,500	(1,500)	-
Family/ Resource Center	-	2,021	2,021
Deli	1,500	(658)	842
Boutique/Retail	1,500	(1,500)	-
Data Center	3,000	(1,313)	1,687
Registration	2,168	-	decentralized
Administration	1,500	1,855	3,355

C. As the applicant, describe your need to provide the following health care services (if applicable to this application):

1. Adult Psychiatric Services
2. Alcohol and Drug Treatment for Adolescents (exceeding 28 days)
3. Birthing Center
4. Burn Units
5. Cardiac Catheterization Services
6. Child and Adolescent Psychiatric Services
7. Extracorporeal Lithotripsy
8. Home Health Services
9. Hospice Services
10. Residential Hospice
11. ICF/MR Services
12. Long-term Care Services
13. Magnetic Resonance Imaging (MRI)
14. Mental Health Residential Treatment
15. Neonatal Intensive Care Unit
16. Non-Residential Methadone Treatment Centers
17. Open Heart Surgery
18. Positron Emission Tomography
19. Radiation Therapy/Linear Accelerator
20. Rehabilitation Services
21. Swing Beds

Response:

This project does not require adding to the market equipment or services regulated by CON. CON approval has previously been granted in the same community that will continue to be served and the need is demonstrated by the current utilization.

Because the linear accelerators will be relocated from a building owned by BMHM to a new building owned by BMHT, BMHT will be initiating linear accelerator services. At the time the linear accelerator services become fully operational for patients at the cancer center, BMHM will surrender approval to provide those services. During the relocation and installation, which should require a period of approximately 10 weeks, linear accelerators will be operational at both BMHM and BMHT.

BMHT acquired the PET/CT at 7945 Wolf River Blvd, Germantown, TN 38138 through CN1111-050A. That unit will be replaced when it is relocated to the cancer center. At the time that the new PET/CT becomes fully operational for patients at the new cancer center, BMHT will agree to surrender the approval to provide PET/CT services at 7945 Wolf River Blvd. The PET/CT at BMHM will continue to operate at BMHM.

- D. Describe the need to change location or replace an existing facility.

Response:

The linear accelerators are proposed to move from BMHM to a new building on an adjacent campus where comprehensive outpatient cancer treatments will be provided in one location. The 21EX accelerator is planned to be replaced by a TrueBeam accelerator at the time of the relocation. The PET/CT will be moving from 7945 Wolf River Blvd that is less than 5 miles from the new cancer center. The PET/CT is planned to be replaced at the time of the relocation.

- E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of \$2.0 million; and/or is a magnetic resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

Response for Linear Accelerators

1. For fixed-site major medical equipment (not replacing existing equipment):

Note: all the units have been previously CON approved and are existing at BMHM. The TrueBeam will replace the current 21EX.

Response for Linear Accelerators

Linear Accelerator evaluated at market value and purchase price for the TrueBeam

- a. Describe the new equipment, including:

1. Total cost ;(As defined by Agency Rule).

TrueBeam ; Trilogy ; CyberKnife

TOTAL Equipment Value: 7,893,534

Maintenance: 4,342,600

TOTAL: 12,236,914

2. Expected useful life;

Response:

Life: 5-7 Years

3. List of clinical applications to be provided; and

Response:

A list of treatments is provided below:

DESCRIPTION	PRICE	HCPC
RO TX DLY 6-10 MV SIM	\$322.00	77403
RO TX DL 11-19 MV SIM	\$322.00	77404
RO TX DY 6-10 MV INTM	\$476.00	77408
RO TX DLY 11-19 MV INTM	\$476.00	77409

RO ELECT 6-10 MEV CMPLX	\$601.00	77413
RO ELECT 11-19 MEV CMPLX	\$601.00	77414
RO ELECT 20 MEV > CMPLX	\$587.00	77416
RO IMRT RX DELIVERY	\$1,206.00	77418
RO SRS LINEAR BASED 1 SES	\$8,399.00	G0173
RO SBRT DELIVERY	\$2,258.00	G0251
RO SRS 1 ST /1 SESSION	\$8,397.00	G0339
RO SRS 2 ND THR 5 TH SESSON	\$6,135.00	G0340

4. Documentation of FDA approval.

Response:

Documentation of FDA approval is provided as Attachment Section B, II, E, (1), a, 4

b. Provide current and proposed schedules of operations.

Response:

The proposed schedule is 8:00 am to 5:00 pm Monday - Friday

2. For mobile major medical equipment:

Response:

Not applicable

- a. List all sites that will be served;
- b. Provide current and/or proposed schedule of operations;
- c. Provide the lease or contract cost.
- d. Provide the fair market value of the equipment; and
- e. List the owner for the equipment.

3. Indicate applicant's legal interest in equipment (i.e., purchase, lease, etc.) In the case of equipment purchase include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

Response:

Baptist Memorial Hospital - Tipton will acquire the equipment from BMH - Memphis and will purchase new equipment. The quotes are provided in Attachment Economic Feasibility 1.

- E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of \$2.0 million; and/or is a magnetic resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

Response for PET/CT

1. For fixed-site major medical equipment (not replacing existing equipment):

Note: This PET/CT will replace existing equipment at another location.

Response for PE/CT

PET/CT replacement at purchase price.

- a. Describe the new equipment, including:

1. Total cost ;(As defined by Agency Rule).

Equipment Value:	\$1,562,921
Maintenance:	624,880
TOTAL:	\$2,151,801

2. Expected useful life;

Response:

Life: 5 Years

3. List of clinical applications to be provided; and

Response:

A list of treatments is provided below:

DESCRIPTION	PRICE	HCPC
PET PET/CT LTD AREA	\$6,226.00	78814
PET PET/CT SKLL TO MDTHGH	\$6,226.00	78815
PET PET/CT WHOLE BODY	\$6,226.00	78816
PET PET/CT LTD AREA Q0	\$6,226.00	78814Q0
PET PET/CT SK T SMDGHG Q0	\$6,226.00	78815Q0
PET PET/CT WHOLE BODY Q0	\$6,226.00	78816Q0

4. Documentation of FDA approval.

Response:

Documentation of FDA approval is provided as Attachment Section B, II, E, (1), a, 4

- b. Provide current and proposed schedules of operations.

Response:

The proposed schedule is 8:00 am to 5:00 pm Monday - Friday

2. For mobile major medical equipment:

Response:

Not applicable

- a. List all sites that will be served;
- b. Provide current and/or proposed schedule of operations;
- c. Provide the lease or contract cost.
- d. Provide the fair market value of the equipment; and
- e. List the owner for the equipment.

3. Indicate applicant's legal interest in equipment (*i.e.*, purchase, lease, etc.) In the case of equipment purchase include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

Response:

Baptist Memorial Hospital - Tipton will relocate the equipment from 7945 Wolf River Blvd and will purchase new equipment. The quotes are provided in Attachment Economic Feasibility 1.

- III. (A) Attach a copy of the plot plan of the site on an 8 1/2" x 11" sheet of white paper which **must** include:

1. Size of site (*in acres*);
2. Location of structure on the site; and
3. Location of the proposed construction.
4. Names of streets, roads or highway that cross or border the site.

Response:

The size of site is 7.18 acres. Please refer to Attachment Section B, III, A(1)

Please note that the drawings do not need to be drawn to scale. Plot plans are required for all projects.

- (B) 1 Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

Response:

Public transportation is easily accessible on Humphreys Boulevard and is shown in the plot plan.

- IV. Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. on an 8 1/2" x 11" sheet of white paper.

Response:

The floor plan is provided with BMHT areas on 2 floors. Please refer to Attachment Section B, IV. A penthouse on the top floor is

for mechanical equipment.

NOTE: **DO NOT SUBMIT BLUEPRINTS**. Simple line drawings should be submitted and need not be drawn to scale.

V. For a Home Health Agency or Hospice, identify:

1. Existing service area by County;
2. Proposed service area by County;
3. A parent or primary service provider;
4. Existing branches; and
5. Proposed branches.

Response:

Not applicable

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with Tennessee Code Annotated § 68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, and will contribute to the orderly development of health care." The three (3) criteria are further defined in Agency Rule 0720-4-.01. Further standards for guidance are provided in the state health plan (Guidelines for Growth), developed pursuant to Tennessee Code Annotated §68-11-1625.

The following questions are listed according to the three (3) criteria: (I) Need, (II) Economic Feasibility, and (III) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. Please type each question and its response on an 8 1/2" x 11" white paper. All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer. If a question does not apply to your project, indicate "Not Applicable (NA)."

QUESTIONS

NEED

1. Describe the relationship of this proposal toward the implementation of the State Health Plan and Tennessee's Health: Guidelines for Growth.
 - a. Please provide a response to each criterion and standard in Certificate of Need Categories that are applicable to the proposed project. Do not provide responses to General Criteria and Standards (pages 6-9) here.

Response:

This application does not propose additional capacity or new services in the community. The Linear Accelerators, including the CyberKnife, and PET/CT equipment have all been previously approved through the CON process and will still serve the same population that was the basis for approval. The applicant cannot identify criterion or standards that are applicable except the criteria for change¹⁵ of site addressed below.

5 Principals for Achieving Better Health found in the State Health Plan.

Response:

1. Healthy Lives

The purpose of the State Health Plan is to improve the health of Tennesseans.

Every person's health is the result of the interaction of individual behaviors, society, the environment, economic factors, and our genetic endowment. The State Health Plan serves to facilitate the collaboration of organizations and their ideas to help address health at these many levels.

Response:

The proposed Center for Cancer Care is consolidating services and professionals to collaboratively address the health and treatment needs of oncology patients and their families. Access to the comprehensive outpatient cancer services at a single location, open to medical staff who apply for privileges and provided in a manner that encourages patients and their families to learn and participate to the extent possible in their personal care reflects the Healthy Lives principle.

2. Access to Care

Every citizen should have reasonable access to health care.

Many elements impact one's access to health care, including existing health status, employment, income, geography, and culture. The State Health Plan can provide standards for reasonable access, offer policy direction to improve access, and serve a coordinating role to expand health care access.

Response:

Access to the Baptist Center for Cancer Care is not restricted by existing health status, employment, income, geography or culture. The services are designed to improve access to the full continuum of outpatient cancer services at one location. By involving a Disproportionate Share Hospital, services provided by the hospital in the local community can be sustained by support from the regional service area.

3. Economic Efficiencies

The state's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies and the continued development of the state's health care system. The State Health Plan should work to identify opportunities to improve the efficiency of the state's health care system and to encourage innovation and competition.

Response:

The new center consolidates existing capacities which is an economically effective way of improving the health care system without unnecessarily duplicating services which directly improves the efficiency of the health care system. The new center innovatively applies new telecommunication tools and stimulates growth and development of new technologies for efficient application of new combinations of ideas in fighting the disease.

4. Quality of Care

Every citizen should have confidence that the quality of health care is continually monitored and standards are adhered to by health care providers. Health care providers are held to certain professional standards by the state's licensure system. Many health care stakeholders are working to improve their quality of care through adoption of best practices and data-driven evaluation.

Response:

The new center's telecommunication and electronic health record tools will ensure that patient information is appropriately accessible to providers and that patient treatments can be monitored. The availability of all outpatient treatment modalities in one location will enhance the patient's ability to make an appropriate treatment choice with guidance from medical professionals who are familiar with the characteristics of care and evidence-based practice guidelines.

5. Health Care Workforce

The state should support the development, recruitment, and retention of a sufficient and quality health care workforce. The state should consider developing a comprehensive approach to ensure the existence of a sufficient, qualified health care workforce, taking into account issues regarding the number of providers at all levels and in all specialty and focus areas, the number of professionals in teaching positions, the capacity of medical, nursing, allied health and other educational institutions, state and federal laws and regulations impacting capacity programs, and funding.

Response:

This project consolidates resources including healthcare professionals who are already engaged in providing the services. The proposed cancer center will provide outpatient cancer services in one location, where physicians, specialists, researchers, patients and families can work together to fight the disease. It brings together trained, experienced professionals at one site and promotes the development of multidisciplinary staff. Consolidation of chemotherapy that now occurs in the offices of multiple physicians will increase efficient use of personnel involved in chemotherapy services.

- b. Applications that include a Change of Site for a health care institution, provide a response to General Criterion and Standards (4)(a-c)

Response:

General Criterion and Standards (4)(a)-(c) are addressed as follows:

(a)Need. The applicant should show the proposed new site will serve the health care needs in the area to be served at least as well as the original site. The applicant should show that there is some significant legal, financial, or practical need to change the proposed new site.

Response - The proposed site for the Baptist Center for Cancer Care will be no less conveniently accessible to the population of the service area. In addition, as discussed elsewhere in the application, the actual capital outlay to complete the project at the new site will be significantly less than the alternative of expanding the project

originally approved at the existing site. Finally, the new site will be provide better access to Baptist Memorial Hospital - Memphis for cancer patients who need services there

(b)*Economic Factors.* The applicant should show that the proposed new site would be at least as economically beneficial to the population to be served as the original site.

Response - See the response to item (a) above. In addition, the new location will not result in any increase in patient charges.

(c)*Contribution to the orderly development of health facilities and/or services.* The applicant should address any potential delays that would be caused by the proposed change of site, and show that any such changes delays are outweighed by the benefits that will be gained from the change of site by the population to be served.

Response - The time needed to complete the project at the new location will be only about 6 months more than the original projected completion date. The advantages of the new site easily outweigh the modest amount of additional time needed to complete the project.

2. Describe the relationship of this project to the applicant facility's long-range development plans, if any.

Response:

The Baptist Memorial Health Care system continuously reviews health needs throughout the region and is committed to providing Mid-South cancer patients, families, and physicians with the assurance and confidence that comes from excellent, compassionate, advanced care in the most effective manner possible.

The proposed Baptist Cancer Care Center will improve the delivery system using existing capacities in new surroundings. The strength from collective services for treating outpatient cancer patients will be more easily accessible to the people who need it most. The positive financial projections for the proposed project indicate that the expense of moving the equipment will be recovered. The affinities of related services at the cancer care center will improve the operational value of the interactions with the community.

This project is consistent with the long range development plan of Baptist, to accommodate the health needs of the community it serves while maintaining patient, physician and staff satisfaction with high quality and safety.

3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map including the State of Tennessee clearly marked to reflect the service area. **Please submit the map on 8 1/2" x 11" sheet of white paper marked only with ink detectable by a standard photocopier (i.e., no highlighters, pencils, etc.).**

Response:

A map is provided at Attachment Section C3. The Service Area is reasonable since it represents the origin of patients. The primary service area is Shelby, Tipton and Fayette counties in Tennessee. An

expanded secondary area is shown on the map to include all of the West Tennessee counties which will be served by the specialized treatments that the CyberKnife provides.

4. A. Describe the demographics of the population to be served by this proposal.

Response:

The estimated population for this year and the next 4 years is provided for primary service area in the following Chart.

Tennessee Population by County
Source: TN Department of Health

COUNTY	2011	2012	2013	2014	2015	2016
Shelby	943,681	949,665	956,126	963,097	970,591	976,726
Fayette	38,728	39,245	39,818	40,435	41,105	41,453
Tipton	62,102	62,952	63,857	64,813	65,839	66,587
TOTAL	1,044,511	1,051,862	1,059,801	1,068,345	1,077,535	1,084,766

The estimated population for this year and the next 3 years is provided for the secondary service area in the following chart.

TENNESSEE POPULATION BY COUNTY
Tennessee Department of Health

COUNTY	2010	2011	2012	2013	2014	2015
LAUDERDALE	27,888	28,127	28,360	28,641	28,918	29,220
DYER	38,716	38,865	39,039	39,238	39,450	39,682
LAKE	7,423	7,407	7,403	7,393	7,391	7,386
OBION	32,626	32,675	32,747	32,839	32,935	33,061
WEAKLEY	33,799	33,841	33,906	33,970	34,045	34,152
HENRY	32,394	32,525	32,672	32,834	33,002	33,179
BENTON	16,657	16,680	16,726	16,779	16,833	16,903
CARROLL	29,631	29,734	29,843	29,970	30,095	30,243
GIBSON	48,956	49,061	49,169	49,303	49,467	49,637
CROCKETT	14,944	15,063	15,191	15,336	15,494	15,664
HAYWOOD	19,662	19,678	19,725	19,786	19,851	19,949
MADISON	99,334	100,059	100,816	101,634	102,515	103,431
HARDEMAN	29,491	29,738	30,007	30,299	30,607	30,941
MCNAIRY	26,161	26,251	26,362	26,476	26,604	26,722
HARDIN	26,741	26,846	26,955	27,091	27,236	27,402
HENDERSON	27,584	27,767	27,955	28,170	28,390	28,626
DECATUR	11,516	11,494	11,495	11,509	11,519	11,546
CHESTER	16,645	16,760	16,893	17,031	17,179	17,322
CRAIGHEAD, AR	99,164	101,422	103,680	105,937	108,195	110,453
DESOTO, MS	148,616	151,501	154,385	157,270	160,154	163,039
MARSHALL, MS	37,128	37,288	37,448	37,608	37,768	37,928
Total	825,076	832,781	840,777	849,114	857,649	866,486

- B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

- B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the area population.

Response

Baptist Cancer Care Center will provide treatment services to the residents without regard to race, ethnic origin, ability to pay, religion, sex, or disability.

To evaluate the needs of the service area related to oncology, the rate of population growth was determined from 2010 to 2018. The data are shown in the tables below.

County	2010			2018		
	Total Population	under 60	over 60	2018	under 60	over 60
Shelby	918,680	771,060	147,620	938,404	749,862	188,542
Tipton	60,340	50,550	9,790	66,953	54,078	12,875
Fayette	41,553	34,383	9,535	51,076	41,973	9,103

Population	Growth 2010 - 2018		
County	Growth	Growth under 60	Growth over 60
Shelby	2.1%	-2.7%	27.7%
Tipton	11.0%	7.0%	31.5%
Fayette	22.9%	22.1%	-4.5%

Although the total population growth in Shelby County, for example, will be 2.1% overall, the growth in the over 60 category will increase 27.7%.

In order to calculate the incidence rate by county, the age group growth rate was used to determine the number of cancer cases in 2010 and 2018. The growth rate can then be

calculated by dividing the 2010 value by the 2018 value. For example, the Shelby County Growth Rate is 15.9%.

The calculation is: $((4809-4150)/4150) = 15.9\%$ over 8 years.) The annual growth rate is determined by dividing 15.9% over 8 years ; $(0.159/8 = 1.98\%)$. Since the Shelby County annual population growth rate is the lowest of the three primary counties, future increases in service utilization at the Cancer Care Center were conservatively calculated using 1.98% per year.

Pool of expected cancer cases

	2010	2018	Growth	Per year
Shelby County	4,150	4,809	15.9%	1.98%
Tipton	275	335	21.8%	2.73%
Fayette	193	240	24.4%	3.04%
	4,618	5,384	16.6%	2.07%

Source: Tennessee Cancer Incidence by Age for region applies to the population for each county by age

In order to provide the services as described in the application for approximately 1,900 new cases in year one with continuing growth in subsequent years, demand exists for the proposed expansion.

The demand for the relocated and expanded facility is also demonstrated by the response from the medical community. The consolidated integrated physical resources will provide an environment that not only provides care in a single setting but also inspires continuous development and application of new techniques for meeting a cancer patient's needs.

Demand is readily demonstrated by the recent commitment of 3 groups of physicians to affiliate with the Baptist Memorial Health Care system. Three groups of oncologists have not only expressed interest in having offices in the same building as the BMH-Tipton Center for Cancer Care but they have also formally affiliated with the Baptist Memorial Health Care system through the Baptist Medical Group (BMG).

The groups formally affiliated with BMG after the CON for the initial proposal was approved. The additional interest and work volume has made changes in the layout and configuration of the services essential. Although other physicians may join the Medical staff as previously described in the application, the affiliated groups alone have increased the number of oncologists who are anticipated to potentially be actively providing infusion care at the new facility to 15. The projection for years 1 and 2, which is a ramp-up period, reflect the likelihood that physicians will continue to provide some chemotherapy in their offices in outlying areas. However, over time, it is expected that more of the infusion provided by these groups will migrate to the new facility. To accommodate the potential and the likelihood that other oncologists will use the facility, the building will be able

to expand to 88 infusion stations as necessary.

The laboratory, pharmacy and support systems also have the flexibility to expand accordingly. Space was realigned to ensure comfort and aesthetically pleasant surroundings for patients with workflow efficiencies and safety for staff.

Other changes to ensure quality care and efficient performance involve added investments such as \$3.5 million for low-voltage technologies including structured cabling, wireless systems, communications systems, sound and video, and patient entertainment systems.

Along with space for entire new departments such as Materials Management and Maintenance that are justified by the new size of the facility, areas for other clinical spaces like genetics and research have increased.

5. Describe the existing or certified services, including approved but unimplemented CONs, of similar institutions in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. Be certain to list each institution and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: admissions or discharges, patient days, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc.

Response

In addition to the CyberKnife for BMH-Memphis, the applicant believes that only one other CON that is related to Cancer Care has been approved and is yet unimplemented. In July 2008, the HSDA approved acquisition of a CyberKnife Stereotactic Radiosurgery System to be installed at the main campus of St Francis Hospital in Memphis (CN803-023A).

For utilization of existing radiation therapy and PET/CT services, see Attachment Need, 5.

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three (3) years and the projected annual utilization for each of the two (2) years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology **must include** detailed calculations or documentation from referral sources, and identification of all assumptions.

Response

As previously described, a growth rate of oncology utilization was calculated to be approximately 1.98% per year for Tennessee and less for patients from other states. To allow for construction, a period of about 36 months is allowed between 2010 and Year 1 shown below.

Year	Treatments
2,008	11,624
2,009	11,352
2,010	10,989
2,011	11,423
Year 1	11,796
Year 2	11,980
Year 3	12,167

PROJECT COSTS CHART

2012 NOV 15 PM 4: 24

A. Construction and equipment acquired by purchase:	
1. Architectural and Engineering Fees	\$ 2,737,942
2. Legal, Administrative (Excluding CON Filing Fee), Consultant Fees	48,000
3. Acquisition of Site	11,000,000
4. Preparation of Site	1,111,695
5. Construction Costs	33,605,000
6. Contingency Fund	4,221,643
7. Fixed Equipment (not in included in Construction Contract)	11,121,960
8. Moveable Equipment (List all equipment over \$50,000)	4,561,893
9. Other (Specify) <u>Maintenance, I/S, Videoconference</u>	\$ 14,706,420
B. Acquisition by gift, donation, or lease:	
1. Facility (inclusive of building and land)	-
2. Building only (based on Lease Cost)	1,674,647
3. Land only	-
4. Equipment (Specify) _____	-
5. Other (Specify) _____	-
C. Financing Costs and Fees:	
1. Interim Financing	-
2. Underwriting Costs	-
3. Reserve for One Year's Debt Service	-
4. Other (Specify) _____	-
D. Estimated Project Cost (A + B + C)	\$ 84,789,200
E. CON Filing Fee	\$ 45,000
F. Total Estimated Project Cost (D + E)	
TOTAL	\$ 84,834,200

2. Identify the funding sources for this project.

Please check the applicable item(s) below and briefly summarize how the project will be financed. (*Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment C, Economic Feasibility-2.*)

- ☐ A. Commercial loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;
- ☐ B. Tax-exempt bonds--Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;
- ☐ C. General obligation bonds—Copy of resolution from issuing authority or minutes from the appropriate meeting.
- ☐ D. Grants--Notification of intent form for grant application or notice of grant award; or
- ☒ E. Cash Reserves--Appropriate documentation from Chief Financial Officer.
- ☐ F. Other—Identify and document funding from all other sources.

3. Discuss and document the reasonableness of the proposed project costs. If applicable, compare the cost per square foot of construction to similar projects recently approved by the Health Services and Development Agency.

Response

The cost of this project is reasonable. While the construction of new space to accommodate linear accelerators can be more than \$1,000 per sq ft, this project has an estimated cost of approximately \$640 per sq ft. for the vaults. A recent application for a project of this type was the CyberKnife approved for St Francis Hospital in 2008. The construction cost for approx. 1,200 sq ft was \$1,266,500 or approx. \$1,055 per sq ft.

4. Complete Historical and Projected Data Charts on the following two pages--**Do not modify the Charts provided or submit Chart substitutions!** Historical Data Chart represents revenue and expense information for the last *three* (3) years for which complete data is available for the institution. Projected Data Chart requests information for the two (2) years following the completion of this proposal. Projected Data Chart should reflect revenue and expense projections for the ***Proposal Only*** (i.e., if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility).

Response

The Historical Data Chart has been completed for the last three available fiscal years for operations at Baptist Memorial Hospital-Tipton.

The Projected Data Chart has been completed for the composite services that will be provided at the new outpatient cancer center. The services include Radiation Oncology, Chemo Therapy, PET and other diagnostic tests and other cancer treatment

services. The charges at the cancer center are the same as the charges for the same service at the hospital. The hospital charges will not change as a result of this project.

5. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge.

Response

Radiation Therapy services will be used for this response.

Average Charge = \$17,036

Average Deduction = \$11,168

Average Net = \$5,868

HISTORICAL DATA CHART

Give information for the last three (3) years for which complete data are available for the facility
or agency. The fiscal year begins in Oct (Month)

	Year 2008	Year 2009	Year 2010	Year 2011
	<u>pending</u>	<u>pending</u>	<u>pending</u>	<u>pending</u>
A. Utilization Date (Specify unit of measure)				
B. Revenue from Services to Patients				
1. Inpatient Services	\$ 22,943,269	\$ 21,460,333	\$ 19,238,693	\$ 19,396,778
2. Outpatient Services	\$ 47,112,973	\$ 45,892,723	\$ 49,067,306	\$ 54,929,675
3. Emergency Services				
4. Other Operating Revenue (specify) <u>cafeteria, gift shop, etc.</u>	\$ 507,428	\$ 502,756	\$ 463,907	\$ 493,137
Gross Operating Revenue	\$ 70,563,670	\$ 67,855,812	\$ 68,769,906	\$ 74,819,590
C. Deductions from Gross Operating Revenue				
1. Contractual Adjustments	\$ 37,762,189	\$ 36,091,391	\$ 37,627,340	\$ 42,125,561
2. Provision for Charity Care	\$ 1,788,014	\$ 2,805,418	\$ 3,986,863	\$ 4,690,265
3. Provision for Bad Debt	\$ 5,288,103	\$ 4,713,416	\$ 4,604,932	\$ 4,996,860
Total Deductions	\$ 44,838,306	\$ 43,610,225	\$ 46,219,135	\$ 51,812,686
NET OPERATING REVENUE	\$ 25,725,364	\$ 24,245,587	\$ 22,550,771	\$ 23,006,904
D. Operating Expenses				
1. Salaries and Wages	\$ 13,530,057	\$ 12,571,662	\$ 12,297,694	\$ 12,754,919
2. Physician's Salaries and Wages	\$ 222,648	\$ 240,794	\$ 262,055	\$ 179,378
3. Supplies	\$ 10,275,411	\$ 9,362,462	\$ 8,330,785	\$ 8,953,434
4. Taxes	\$ 40,026	\$ 44,616	\$ 44,616	\$ 44,616
5. Depreciation	\$ 1,158,604	\$ 1,098,512	\$ 1,149,973	\$ 1,087,257
6. Rent	\$ -	\$ -	\$ -	\$ -
7. Interest, other than Capital	\$ -	\$ -	\$ -	\$ -
8. Other Expenses (Specify) <u>energy</u>	\$ 654,648	\$ 699,263	\$ 678,669	\$ 705,259
Total Operating Expenses	\$ 25,881,394	\$ 24,017,309	\$ 22,763,792	\$ 23,724,863
E. Other Revenue (Expenses) - Net (Specify)	\$ 819,939	\$ 915,217	\$ 1,088,783	\$ 1,752,126
NET OPERATING INCOME (LOSS)	\$ 663,909	\$ 1,143,495	\$ 875,762	\$ 1,034,167
F. Capital Expenditures				
1. Retirement of Principal				
2. Interest				
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ -
NET OPERATING INCOME (LOSS)				
LESS CAPITAL EXPENDITURES	\$ 663,909	\$ 1,143,495	\$ 875,762	\$ 1,034,167

PROJECTED DATA CHART

Give information for the last two (2) years following the completion of this proposal.

The fiscal year begins in OCT (Month)

	Year 1	Year 2
A. Utilization Data (Specify unit of measure)		
Chemotherapy Patients	1124	1148
Rad Onc Treatments	11616	11796
PET	783	797
B. Revenue from Services to Patients		
1. Inpatient Services	\$ 1,946,019	\$ 2,012,265
2. Outpatient Services	\$ 160,349,746	\$ 166,921,281
3. Emergency Services		
4. Other Operating Revenue (specify) _____		
Gross Operating Revenue	\$ 162,295,765	\$ 168,933,546
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	\$ 95,671,544	\$ 99,587,196
2. Provision for Charity Care	\$ 4,534,643	\$ 4,722,402
3. Provision for Bad Debt	\$ 5,031,789	\$ 5,237,560
Total Deductions	\$ 105,237,976	\$ 109,547,158
NET OPERATING REVENUE	\$ 57,057,789	\$ 59,386,388
D. Operating Expenses		
1. Salaries and Wages	\$ 11,133,610	\$ 11,573,055
2. Physician's Salaries and Wages	\$ 220,414	\$ 229,430
3. Supplies	\$ 23,834,110	\$ 24,979,500
4. Taxes		
5. Depreciation	\$ 4,919,753	\$ 4,919,753
6. Rent		
7. Interest, other than Capital		
8. Other Expenses (maint, contract, util, billing mktg)	\$ 8,012,565	\$ 8,670,758
Total Operating Expenses	\$ 48,120,452	\$ 50,372,496
E. Other Revenue (Expenses) - Net (Specify)		
NET OPERATING INCOME (LOSS)	\$ 8,937,337	\$ 9,013,892
F. Capital Expenditures		
1. Retirement of Principal		
2. Interest		
Total Capital Expenditures		
NET OPERATING INCOME (LOSS)		
LESS CAPITAL EXPENDITURES	\$ 8,937,337	\$ 9,013,892

HISTORICAL DATA CHART

Give information for the last three (3) years for which complete data are available for the facility
or agency. The fiscal year begins in OCT (Month)

	Year 2008	Year 2009	Year 2010	Year 2011
	pending	pending	pending	pending
A. Utilization Date (Specify unit of measure)				
B. Revenue from Services to Patients				
1. Inpatient Services	\$ 22,943,269	\$ 21,460,333	\$ 19,238,693	\$ 19,396,778
2. Outpatient Services	\$ 47,112,973	\$ 45,892,723	\$ 49,067,306	\$ 54,929,675
3. Emergency Services				
4. Other Operating Revenue (specify) <u>cafeteria, gift shop, etc.</u>	\$ 507,428	\$ 502,756	\$ 463,907	\$ 493,137
Gross Operating Revenue	\$ 70,563,670	\$ 67,855,812	\$ 68,769,906	\$ 74,819,590
C. Deductions from Gross Operating Revenue				
1. Contractual Adjustments	\$ 37,762,189	\$ 36,091,391	\$ 37,627,340	\$ 42,125,561
2. Provision for Charity Care	\$ 1,788,014	\$ 2,805,418	\$ 3,986,863	\$ 4,690,265
3. Provision for Bad Debt	\$ 5,288,103	\$ 4,713,416	\$ 4,604,932	\$ 4,996,860
Total Deductions	\$ 44,838,306	\$ 43,610,225	\$ 46,219,135	\$ 51,812,686
NET OPERATING REVENUE	\$ 25,725,364	\$ 24,245,587	\$ 22,550,771	\$ 23,006,904
D. Operating Expenses				
1. Salaries and Wages	\$ 13,530,057	\$ 12,571,662	\$ 12,297,694	\$ 12,754,919
2. Physician's Salaries and Wages	\$ 222,648	\$ 240,794	\$ 262,055	\$ 179,378
3. Supplies	\$ 7,683,819	\$ 6,702,698	\$ 5,625,469	\$ 5,996,934
4. Taxes	\$ 40,026	\$ 44,616	\$ 44,616	\$ 44,616
5. Depreciation	\$ 1,158,604	\$ 1,098,512	\$ 1,149,973	\$ 1,087,257
6. Rent				
7. Interest, other than Capital				
8. Management Fees:				
a. Fees to Affiliates	\$ 2,591,592	\$ 2,659,764	\$ 2,705,316	\$ 2,956,500
b. Fees to Non-Affiliates				
9. Other Expenses (Specify on separate page)	\$ 654,648	\$ 699,263	\$ 678,669	\$ 705,259
Total Operating Expenses	\$ 25,881,394	\$ 24,017,309	\$ 22,763,792	\$ 23,724,863
E. Other Revenue (Expenses) - Net (Specify)	\$ 819,939	\$ 915,217	\$ 1,088,783	\$ 1,752,126
NET OPERATING INCOME (LOSS)	\$ 663,909	\$ 1,143,495	\$ 875,762	\$ 1,034,167
F. Capital Expenditures				
1. Retirement of Principal				
2. Interest				
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ -
NET OPERATING INCOME (LOSS)				
LESS CAPITAL EXPENDITURES	\$ 663,909	\$ 1,143,495	\$ 875,762	\$ 1,034,167

PROJECTED DATA CHART

Give information for the last two (2) years following the completion of this proposal.

The fiscal year begins in OCT (Month)

	Year 1	Year 2
A. Utilization Data (Specify unit of measure)		
Chemotherapy Treatments	1,124	1,148
Rac Onc Treatments (includes cyberknife)	11,616	11,796
PET	783	797
B. Revenue from Services to Patients		
1. Inpatient Services	\$ 1,946,019	\$ 2,012,265
2. Outpatient Services	\$ 160,349,746	\$ 166,921,281
3. Emergency Services		
4. Other Operating Revenue (specify) _____		
Gross Operating Revenue	\$ 162,295,765	\$ 168,933,546
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	\$ 95,671,544	\$ 99,587,196
2. Provision for Charity Care	\$ 4,534,643	\$ 4,722,402
3. Provision for Bad Debt	\$ 5,031,789	\$ 5,237,560
Total Deductions	\$ 105,237,976	\$ 109,547,158
NET OPERATING REVENUE	\$ 57,057,789	\$ 59,386,388
D. Operating Expenses		
1. Salaries and Wages	\$ 11,133,610	\$ 11,573,055
2. Physician's Salaries and Wages	\$ 220,414	\$ 229,430
3. Supplies	\$ 23,834,110	\$ 24,979,500
4. Taxes		
5. Depreciation	\$ 4,919,753	\$ 4,919,753
6. Rent		
7. Interest, other than Capital		
8. Management Fees:		
a. Fees to Affiliates		
b. Fees to Non-Affiliates		
9. Other Expenses (Specify on separate page)	\$ 8,012,565	\$ 8,670,758
Total Operating Expenses	\$ 48,120,452	\$ 50,372,496
E. Other Revenue (Expenses) - Net (Specify)		
NET OPERATING INCOME (LOSS)	\$ 8,937,337	\$ 9,013,892
F. Capital Expenditures		
1. Retirement of Principal		
2. Interest		
Total Capital Expenditures	\$ -	\$ -
NET OPERATING INCOME (LOSS)		
LESS CAPITAL EXPENDITURES	\$ 8,937,337	\$ 9,013,892

HISTORICAL DATA CHART-OTHER EXPENSES

<u>OTHER EXPENSES CATEGORIES</u>	<u>Year 2008</u>	<u>Year 2009</u>	<u>Year 2010</u>	<u>Year 2011</u>
1. Energy Expenses	\$ 654,648	\$ 699,263	\$ 678,669	\$ 705,259
2				
3				
4				
5				
6				
7				
Total Other Expenses	\$ 654,648	\$ 699,263	\$ 678,669	\$ 705,259

PROJECTED DATA CHART-OTHER EXPENSES

<u>OTHER EXPENSES CATEGORIES</u>	<u>Year 1</u>	<u>Year 2</u>
1. Maintenance	\$ 754,960	\$ 1,344,115
2. Outside Professional Services	\$ 786,763	\$ 605,559
3. Billing	\$ 1,340,340	\$ 1,399,383
4. Marketing	\$ 750,000	\$ 750,000
5. Utilities, Janitorial, etc	\$ 1,399,967	\$ 1,441,966
6. Other	\$ 2,980,535	\$ 3,129,735
7		
Total Other Expenses	\$ 8,012,565	\$ 8,670,758

6. A. Please provide the current and proposed charge schedules for the proposal. Discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the proposed project and the impact on existing patient charges.

Response

The charge schedules will not change for this proposal. The current and proposed charges will be the same. Below are the hospital charges for Radiation Therapy by HCPCS codes, Chemo Therapy by APC codes, and PET by HCPCS code.

HCPCS Code	Short Descriptor	Medicare Reimbursement	Baptist Charge
77290	Set radiation therapy field	\$254.37	\$ 968
77300	Radiation therapy dose plan	\$98.31	\$ 288
77336	Radiation physics consult	\$98.31	\$ 546
77370	Radiation physics consult	\$98.31	\$ 608
77470	Special radiation treatment	\$363.50	\$ 1,888
G0339	Robot lin-radsurg com, first	\$3,411.44	\$ 7,634
77295	Set radiation therapy field	\$885.71	\$ 3,051
77334	Radiation treatment aid(s)	\$182.06	\$ 719
G0340	Robt lin-radsurg fractx 2-5	\$2,376.39	\$ 5,577
77301	Radiotherapy dose plan, imrt	\$885.71	\$ 2,401
77338	Design mlc device for imrt	\$182.06	\$ 719

Description	Price	CPT	OPPS Reimb
96409-CHEMO IV PUSH SINGLE OR INIT	\$240.00	96409	122.61
96411-CHEMO IV PUSH EA ADD NEW DR	\$226.00	96411	72.51
96413-CHEM INF INIT SGLE 1HR	\$770.00	96413	196.51
96415-CHEMO IV INFUS EA ADD HR	\$83.00	96415	35.2
96417-CHEM INF EA ADD SEQ	\$83.00	96417	72.15
96521-REFILL/MAINT PORTABLE PUMP	\$350.00	96521	122.61
IRRIGATE IMPLANTED VAD	\$91.00	96523	41.61

DESCRIPTION	PRICE	HCPCS
PET PET/CT LTD AREA	\$6,226.00	78814
PET PET/CT SKLL TO MDTHGH	\$6,226.00	78815
PET PET/CT WHOLE BODY	\$6,226.00	78816
PET PET/CT LTD AREA Q0	\$6,226.00	78814Q0
PET PET/CT SK T MDTHGH Q0	\$6,226.00	78815Q0
PET PET/CT WHOLE BODYQ0	\$6,226.00	78816Q0

- B. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Response

As previously discussed in question 6A, the charges that are currently applicable at Baptist Memorial Hospital - Tipton will not change as a result of this project. The charge schedules will not change for this proposal. The current and proposed charges will be the same. Below are the hospital charges and Medicare reimbursement amounts for Radiation Therapy by HCPCS codes, Chemo Therapy by APC codes.

HCPCS Code	Short Descriptor	Medicare Reimbursement	Baptist Charge
77290	Set radiation therapy field	\$254.37	\$ 968
77300	Radiation therapy dose plan	\$98.31	\$ 288
77336	Radiation physics consult	\$98.31	\$ 546
77370	Radiation physics consult	\$98.31	\$ 608
77470	Special radiation treatment	\$363.50	\$ 1,888
G0339	Robot lin-radsurg com, first	\$3,411.44	\$ 7,634
77295	Set radiation therapy field	\$885.71	\$ 3,051
77334	Radiation treatment aid(s)	\$182.06	\$ 719
G0340	Robt lin-radsurg fractx 2-5	\$2,376.39	\$ 5,577
77301	Radiotherapy dose plan, imrt	\$885.71	\$ 2,401
77338	Design mlc device for imrt	\$182.06	\$ 719

Description	Price	CPT	OPPS Reimb
96409-CHEMO IV PUSH SINGLE OR INIT	\$240.00	96409	122.61
96411-CHEMO IV PUSH EA ADD NEW DR	\$226.00	96411	72.51
96413-CHEM INF INIT SGLE 1HR	\$770.00	96413	196.51
96415-CHEMO IV INFUS EA ADD HR	\$83.00	96415	35.2
96417-CHEM INF EA ADD SEQ	\$83.00	96417	72.15
96521-REFILL/MAINT PORTABLE PUMP	\$350.00	96521	122.61
IRRIGATE IMPLANTED VAD	\$91.00	96523	41.61

HCPCS Code	Short Descriptor	CI	SI	APC	Relative Weight	Payment Rate	National Unadjusted Copayment	Minimum Unadjusted Copayment	Tipton Actual Payment
96409	Chemo iv push singl drug		S	0439	1.8648	\$128.44		\$25.69	\$122.61
96411	Chemo iv push addl drug		S	0438	1.0974	\$75.58		\$15.12	\$72.15
96413	Chemo iv infusion 1 hr		S	0440	2.9888	\$205.86		\$41.18	\$196.51
96415	Chemo iv infusion addl hr		S	0437	0.5354	\$36.88		\$7.38	\$35.20
96417	Chemo iv infus each addl seq		S	0438	1.0974	\$75.58		\$15.12	\$72.15
96521	Refill/maint portable pump		S	0439	1.8648	\$128.44		\$25.69	\$122.61
96523	Irrig drug delivery device		Q1	0624	0.6328	\$43.58	\$12.65	\$8.72	\$41.61

7. Discuss how projected utilization rates will be sufficient to maintain cost-effectiveness.

Response

Implementation of the project will not result in an increase of the charges to the patient. The projected data charts demonstrate that the Cancer Care Center will have a positive income. The existing utilization base will remain intact.

8. Discuss how financial viability will be ensured within two years; and demonstrate the availability of sufficient cash flow until financial viability is achieved.

Response

The projected data charts demonstrate that the Cancer Care Center will have a positive income. The utilization of existing equipment will remain intact. The addition of other related outpatient services in one location will improve the productivity of the resources.

9. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project. In addition, report the estimated dollar amount of revenue and percentage of total project revenue anticipated from each of TennCare, Medicare, or other state and federal sources for the proposal's first year of operation.

Response

Category	Gross Revenue	% of Gross
Medicare	\$64,918,306	40%
TennCare/Medicaid	\$4,868,873	3%
Charity	-\$4,534,643	2.8%

10. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For new projects, provide financial information for the corporation, partnership, or principal parties involved with the project. Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment C, Economic Feasibility-10.

Response

The Balance Sheets and Income Statements are provided as Attachment C Economic Feasibility 10.

11. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:

- a. A discussion regarding the availability of less costly, more effective, and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, the applicant should justify why not; including reasons as to why they were rejected.
- b. The applicant should document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements. It should be documented that superior alternatives have been implemented to the maximum extent practicable.

Response:

The only alternative to the project described in this application would be the cancer center as approved in CN1105-018A, modified as described in the application for CN1205-026, which was withdrawn. The total actual capital outlay for these combined projects would have been approximately \$94,045,916. The actual capital outlay for the project described in this application is approximately \$73,834,200. Thus, the relocation and reconfiguration of the project described herein will save approximately \$20,211,716. IN addition, the new location of the cancer center will be better for patients and physicians who need access to BMHM.

The current center for cancer care will more effectively improve the healthcare system, encourage access to resources and materials and enhance proactive and reactive responses to a broader scope of cancer patients' needs.

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (e.g., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, e.g., transfer agreements, contractual agreements for health services.

Response

As part of BMHT, the Baptist Center for Cancer Care will continue relationships with entities throughout the Baptist system. The center will serve the same populations and will have electronic capabilities to reinforce communications with referring physicians and professionals across the region. The center will be close to BMHM and the new integration of services creates opportunities to build working relationships with other networks.

Access for area physicians and patients will not be complicated by the new organizational arrangement or by the move. The Center for Cancer Care will be available to any qualified physician who applies and receives privileges.

2. Describe the positive and/or negative effects of the proposal on the health care system. Please be sure to discuss any instances of duplication or competition arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

Response

This project will benefit the health care system by improving the effectiveness of existing equipment and services. No new major medical equipment that requires CON approval is involved and negative effects are not anticipated. The current utilization will be maintained and projections of modest growth are based on the growth of the over 60 population cohort.

The new center will provide an additional degree of support for a smaller community hospital in Tipton County.

Enhancing appropriate utilization of existing equipment and providing development opportunities for patients, families and professionals as they learn and do more to fight cancer are all positive effects.

3. Provide the current and/or anticipated staffing pattern for all employees providing patient care for the project. This can be reported using FTEs for these positions. Additionally, please compare the clinical staff salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor & Workforce Development and/or other documented sources.

Response

92.88 FTE's are anticipated to staff the new center.

Updated 2012 CON	FTE	Wages
ASSISTANT-OFFICE II	1.44	\$ 9.99
CLERICAL/SCHEDULING/CHART MANAGEMENT STAFF (NO BILLERS OR RECORDS CODERS)	11.6	\$ 12.75
CLERK-GENERAL II	0.21	\$ 11.57
CLINICAL AND NURSING PRACTICE MANAGER	1.0	\$ 33.83
CLINIC AND SCHEDULING MANAGER	2.0	\$ 21.81
DIRECTOR-RADIATION ONCOLOGY	1.02	\$ 55.11
DOSIMETRIST	2.12	\$ 47.61
ECHO TECH	1	\$ 27.84
FINANCIAL COUNSELOR	2.4	\$ 16.27
INFUSION THERAPY SERVICE DIRECTOR	1.0	\$ 35.53
LAB TECH's/MA's	12.0	\$ 20.77
NUCLEAR MEDICINE TECH	1	\$ 29.23
NURSE-HEAD	1.12	\$ 27.84
NURSE-REGISTERED	1.87	\$ 26.51
NURSING (EMR, QUALITY & DATA MANAGEMENT)	1.0	\$ 27.84
NURSING (RN's): CHEMO INFUSION	15.0	\$ 26.51
NURSING (RN's): STAT/INJECTIONS	1.8	\$ 26.51
NUTRITIONAL COUNSELOR	1.2	\$ 25.25
PET/CT TECH	1	\$ 24.05
PHARM TECH	4.0	\$ 15.70
PHARMACIST	4.0	\$ 52.49
PHLEBOTOMIST	4	\$ 12.75
RADIOLOGY TECH	1	\$ 24.05
SOCIAL WORKER	1.2	\$ 24.50
SUPERVISOR-RADIATION ONCOLOGY	1.02	\$ 17.94
THERAPIST-RADIATION LEAD	2.00	\$ 30.69
THERAPIST-RADIATION	6.47	\$ 29.23
TRANSCRIPTIONIST	1.2	\$ 14.06
VALET/TRANSPORTER	1.2	\$ 11.02
PHYSICIST	1	\$ 81.43
RN NAVIGATORS	2	\$ 26.51
ADMIN SEC	1	\$ 21.81
GENETICS COUNSELOR	2	\$ 27.84

4. Discuss the availability of and accessibility to human resources required by the proposal, including adequate professional staff, as per the Department of Health, the Department of Mental Health and Developmental Disabilities, and/or the Division of Mental Retardation Services licensing requirements.

Response

Since most staff are already actively involved, recruitment difficulties are not anticipated.

5. Verify that the applicant has reviewed and understands all licensing certification as required by the State of Tennessee for medical/clinical staff. These include, without limitation, regulations concerning physician supervision, credentialing, admission privileges, quality assurance policies and programs, utilization review *policies and programs, record keeping, and staff education.*

Response

BMHT is an established Joint Commission accredited hospital licensed by the Tennessee Department of Health. The facility understands requirements and regulations concerning physician supervision, credentialing, admission privileges, quality assurance policies and programs, utilization review policies and programs, record keeping and staff education.

6. Discuss your health care institution's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

Response

Baptist Memorial Health Care Corporation and BMHT are strong supporters of educational opportunities throughout the region. Baptist's Philosophy and Mission for the system states that, "... it seeks to ENCOURAGE, GUIDE, and INSTRUCT those individuals entering into professions related to the healing of the body, mind and spirit."

Baptist Memorial College of Health Sciences was chartered in 1994 as a specialized college offering baccalaureate degrees in nursing and in allied health sciences as well as continuing education opportunities for healthcare professionals.

The four year BHS degree includes radiology training in areas of radiation therapy, nuclear medicine, diagnostic medical services, and radiographic technology.

7. (a) Please verify, as applicable, that the applicant has reviewed and understands the licensure requirements of the Department of Health, the Department of Mental Health and Developmental Disabilities, the Division of Mental Retardation Services, and/or any applicable Medicare requirements.

Response

BMHT has reviewed and understands the licensure requirements of the Department of Health and applicable Medicare requirements.

- (b) Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Licensure: Tennessee Department of Health

Accreditation: Joint Commission

- (c) If an existing institution, please describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility.

Response

The current license is provided as an attachment.

- (d) For existing licensed providers, document that all deficiencies (if any) cited in the last licensure certification and inspection have been addressed through an approved plan of correction. Please include a copy of the most recent licensure/certification inspection with an approved plan of correction.

Response

The last completed licensure/certification survey with an approved plan of correction is included as an attachment.

8. Document and explain any final orders or judgments entered in any state or country by a licensing agency or court against professional licenses held by the applicant or any entities or persons with more than a 5% ownership interest in the applicant. Such information is to be provided for licenses regardless of whether such license is currently held.

Response

There are no final orders or judgments to report.

9. Identify and explain any final civil or criminal judgments for fraud or theft against any person or entity with more than a 5% ownership interest in the project

Response

There are no final civil or criminal judgments to report.

10. If the proposal is approved, please discuss whether the applicant will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and other data as required.

Response

BMHT will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and other data as required.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper as proof of the publication of the letter of intent.

Response

A page from the Commercial Appeal is provided.

DEVELOPMENT SCHEDULE

Tennessee Code Annotated § 68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

1. Please complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
2. If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph*, please state below any request for an extended schedule and document the "good cause" for such an extension.

Form HF0004
Revised 02/01/06
Previous Forms are obsolete

We take Hail.
The trash too!
Mack 901-299-6363

DIABETIC TEST Strips
Needed! \$5 CASH \$5 paid
most types. Up to
\$10/box. Call:
(731)468-6964

\$ CASH FOR JUNK CARS
TRUCKS, \$5 VANS & BUSES!
Espanol, 901-357-9004 or
901-672-9121

CALL ME BEFORE U SELL
Furn., appts., House fulls, etc
Vaughan Furniture 323-3393



405 - Fitness & Exercise
Equipment
411 - Hunting & Fishing Needs
415 - Sporting Goods, Games &
Hobbies
421 - Boats, Motors & Supplies
425 - Campers, Travel Trailers
& Motor Homes

Hunting and Fishing Needs 411



SUPPRESSOR READY 22
LR pistols in stock by
Browning, Sig, GSG/ATI,
Ruger, S&W, Umarex, &
Walther. Also .22LR sound
suppressors available for
pistols or rifles. All NFA
rules apply. ARMS-FAIR
(Memphis Class 3 NFA
dealer) 7845 Trinity Road
Suite 103, Cordova, TN
www.arms-fair.com



HUNTING LAND For Sale.
Deer & turkey, loc. in W.
TN-Henry Co., approx. 30
mi. SW of Kentucky Lake.
150 Acres more or less to
be surveyed, approx 1/2 mi.
road frontage. \$2000/Acre.
Serious buyers only, call
91-352-9386 731-622-3417



GUN REPAIR, barrel
threading, sights or
scopes installed, safety
check and gun cleaning,
action work by certified
gunsmith. ARMS-FAIR
(Memphis Class 3 NFA
dealer) 7845 Trinity Road
Suite 103, Cordova TN
www.arms-fair.com

LW Mod. 41, A series, 1978
with box. \$800. Excellent
condition! Browning Citori
laser Lightning 12ga o/u.
barrel. Nitrate receiver,
crew-in chokes, like nbs.
250. Ithaca mod. 37, ultra
light 12ga 26" barrel, screw-
in chokes, like nbs. \$700.
901-466-6108

WOW!

S&W AR223 with
accessories - \$1000.
Remington 870 16ga
shotgun in box \$300.
901-466-2024

Tunica County
Duck Lease
Call Gary Bailey
901-326-2115

SIG P220, like new, 45ACP,
night sight, 3 mags, box,
\$725; Ruger Bearcat, SA,
22LR, like new, box, \$375,
901-233-6152

TAXIDERM: \$175 Duck or
bass mount. Fast svc. Qual.
work. We Mount ALL TRO-
PHIES!! Lakeside Kennels
& Taxidermy. 870-732-0455

Sporting Goods Games and Hobbies 415

JUKE BOXES 45 rpm & CD
also pinball, PacMan,
sports/driving games. Re-
stored for your game room!
901-751-3413 or 901-277-5900

Boats, Motors and Supplies 421



2012 206 SeaArk, 20 ft 6 in, LOADED, hyd steer, 2 GPS, Mercury 150 PRO XS, Minn Kota TM, FULL FACTORY WARRANTY, \$25,000 + tax, 870-692-2096

Campers, Travel Trailers Motor Homes 425

3991. 2010 Travel Trailer.
One owner. Super slide like
new. 2 air conditioners &
Central Air. \$19,500. Can be
seen in Lakeland, TN. 251-
214-3253, 251-610-7474

Legal Notices: 526
General

SUBSTITUTE TRUSTEE'S SALE
Sale at public auction will be
on January 8, 2013 at
11:00AM local time, at the
southwest door, the Adams
Avenue entrance of the
Shelby County Courthouse,
Memphis, Tennessee,
pursuant to Deed of Trust
executed by Quoc Dan Lam,
a single person, to Arnold M.
Wells, ESQ., Trustee, as trustee
for Wells Fargo Bank, N.A., on
December 17, 2009, at In-
strument No. 09146404;
conducted by Shapiro &
Kirsch, LLP having been
appointed Substitute or
Successor Trustee, all of
record in the Shelby
County Register's Office.
Default has occurred in the
performance of the covenants,
terms, and conditions of said
Deed of Trust and the entire
indebtedness has been de-
clared due and payable.
Party Entitled to Enforce
the Debt: Owner of Debt:
Wells Fargo Bank, NA
The following real estate lo-
cated in Shelby County,
Tennessee, will be sold to
the highest call bidder:
Described property located
at Shelby, County, Tennessee,
to wit:
The East 10 feet of Lot 56
and west 40 feet of Lot 57,
Kupferschmidt Subdivi-
sion as shown on plat of
record in Plat Book 5,
Page 5, in the Register's
Office of Shelby County,
Tennessee, as described
as:
Beginning at a point in the
north line of Wells Station
Road 200 feet east of the
east line of Tant Road;
thence north parallel to
the east line of Tant Road
188 feet; thence east paral-
lel to the north line of Wells
Station Road 50 feet;
thence south parallel to
the east line of Tant Road
188 feet to a point in the
north line of Wells Station
Road; thence west with the
north line of Wells Station
Road 50 feet to the point of
beginning.

located at Baptist Memorial Health Care Corpora-
tion, 350 N. Humphreys Blvd, Memphis, TN 38120,
(901) 227-4137.

Upon written request by interested parties, a
local Fact-Finding public hearing shall be con-
ducted. Written requests for hearing should be
sent to:

Health Services and Development Agency
Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, Tennessee 37243

The published Letter of Intent must contain the
following statement pursuant to T.C.A. § 68-11-
1607(c)(1). (A) Any health care Institution wish-
ing to oppose a Certificate of Need application
must file a written notice with the Health Serv-
ices and Development Agency no later than fifteen
(15) days before the regularly scheduled Health
Services and Development Agency meeting at
which the application is originally scheduled;
and (B) Any other person wishing to oppose the
application must file written objection with the
Health Services and Development Agency at or
prior to the consideration of the application by
the Agency.

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and
Development Agency and all interested parties, in ac-
cordance with T.C.A. § 68-11-1601 et seq., and the Rules of
the Health Services and Development Agency, that Baptist
Memorial Hospital-Tipton (BMHT), a hospital with an owner-
ship type of Corporation and managed by itself intends to file
a Certificate of Need application to relocate the Baptist Center
for Cancer Care from its CON approved site at 1238 and
1280 South Germantown Parkway, Germantown, Tennessee
38138 to the building known as The Shops of Humphreys
Center at 50 Humphreys Boulevard, Memphis, Tennessee
38120. The proposed new location also includes space
conveniently located in nearby buildings at 80 Humphreys
Center and 6029 Walnut Grove Road. The Cancer Center
project includes relocation of a positron emission tomog-
raphy (PET/CT) unit, initiation of linear accelerator services,
and acquisition of major medical equipment and related
assets currently owned and operated by Baptist Memorial
Hospital-Memphis (BMHM). The project involves relocating
from BMHM two (2) linear accelerators and other radiation
oncology equipment along with the CyberKnife linear accel-
erator. One of the existing linear accelerators to be relocated
from BMHM will be replaced when installed at the Baptist
Center for Cancer Care. The PET/CT unit to be relocated to
Baptist Center for Cancer Care will be a replacement of the
BMHT PET/CT currently located at 7945 Wolf River Blvd, Ger-
mantown, TN 38138. The hospital total Cancer Center space
is approximately 153,200 square feet. The project does not
involve the addition of beds or any other service for which
a certificate of need is required. The estimated project cost,
by rule is \$ 84,834,200. The anticipated date of filing the ap-
plication is November 15, 2012. The contact person for this
project is Arthur Maples, Dir. Strategic Analysis, who may be
reached at Baptist Memorial Health Care Corporation, 350
N. Humphreys Blvd, Memphis, TN 38120, (901) 227-4137.

Upon written request by interested parties, a local
Fact-Finding public hearing shall be conducted. Written
requests for hearing should be sent to:

Health Services and Development Agency
Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, Tennessee 37243

The published Letter of Intent must contain the following
statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any
health care Institution wishing to oppose a Certificate of
Need application must file a written notice with the
Health Services and Development Agency no later than
fifteen (15) days before the regularly scheduled Health
Services and Development Agency meeting at which the
application is originally scheduled; and (B) Any other
person wishing to oppose the application must file written
objection with the Health Services and Development
Agency at or prior to the consideration of the application
by the Agency.

EXISTING UNRELEASED
JUDGMENT OF
RECORD AT INSTRU-
MENT NO. 09042587, IN
THE REGISTER'S OF-
FICE OF SHELBY
COUNTY, TENNESSEE.
SALE IS SUBJECT TO ANY
INTEREST THAT MAY
EXIST IN UNRELEASED
DEPARTMENT OF JUSTICE
LIEN OF RECORD
AT INSTRUMENT NO.
09053083, IN THE REGIS-
TER'S OFFICE OF
SHELBY COUNTY, TEN-
NESSEE.

All right of equity of re-
demption, statutory and
otherwise, and homestead
are expressly waived in
said Deed of Trust, and the
title is believed to be good,
but the undersigned will
sell and convey only as
Substitute Trustee.
The right is reserved to ad-
journ the day of the sale to
another day, time, and
place certain without fur-
ther publication, upon an-
nouncement at the time
and place for the sale set
forth above. If the highest
bidder cannot pay the bid
within twenty-four (24)
hours of the sale, the next
highest bidder, at their
highest bid, will be deemed
the successful bidder.
This property is being sold
with the express reserva-
tion that the sale is subject
to confirmation by the
lender or trustee. This sale
may be rescinded by the
Substitute Trustee at any
time.
This office may be a debt
collector. This may be an
attempt to collect a debt
and any information ob-
tained may be used for
that purpose.
Shapiro & Kirsch,
LLP Substitute Trustee
www.kirschattorneys.com
Law Office of Shapiro &
Kirsch, LLP
555 Perkins Road Extended,
Second Floor
Memphis, TN 38117
Phone (901)767-5566
Fax (901)761-5690
File No. 12-041606

Lost 550

LOST IN AR 1-40 & Hwy 149
Exit 266, tri-colored Female
Australian Shepherd
microchipped, \$500
REWARD 870-225-8837

Yellow Gold Diamond
Earring, Bellevue Baptist
Church/Germantown area.
REWARD!
Cell Rex 674-6363

Found 551

DGS- MALE, BLUE collar,
tan/brownish short hair,
approx. 30-40lbs. Found in
Cordova in Carrollwood
Lakes Sub. 901-734-6955

GERMAN SHEPARD
Black/Tan, Found on 11/8
on American Way Between
Perkins & Mt Moriah
Cell 901-650-5240

GOT JOBS?

call
901-529-5273

or email ad copy to
classad@
commercialappeal.com

to place your
Help Wanted Ads

commercialappeal.com | monster

REPOSITORY

PROJECT COMPLETION FORECAST CHART

Enter the Agency projected Initial Decision date, as published in T.C.A. § 68-11-1609(c): Feb 2013

Assuming the CON approval becomes the final agency action on that date; indicate the number of days from the above agency decision date to each phase of the completion forecast.

<u>Phase</u>	<u>DAYS REQUIRED</u>	<u>Anticipated Date (MONTH/YEAR)</u>
1. <u>Architectural and engineering contract signed</u>	_____	02/2013
2. <u>Construction documents approved by the Tennessee Department of Health</u>	_____	04/2013
3. <u>Construction contract signed</u>	_____	04/2013
4. <u>Building permit secured</u>	_____	05/2013
5. <u>Site preparation completed</u>	_____	07/2013
6. <u>Building construction commenced</u>	_____	09/2013
7. <u>Construction 40% complete</u>	_____	04/2014
8. <u>Construction 80% complete</u>	_____	11/2014
9. <u>Construction 100% complete (approved for occupancy)</u>	_____	03/2015
10. <u>*Issuance of license</u>	_____	06/2015
11. <u>*Initiation of service</u>	_____	06/2015
12. <u>Final Architectural Certification of Payment</u>	_____	08/2015
13. <u>Final Project Report Form (HF0055)</u>	_____	10/2015

* For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

AFFIDAVIT

STATE OF Tennessee

COUNTY OF Shelby

Arthur Maples, being first duly sworn, says that he/she is the applicant named in this application or his/her/its lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, *et seq.*, and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete.

Arthur Maples

SIGNATURE/TITLE

Sworn to and subscribed before me this 13th day of November, 2012 a Notary
(Month) (Year)

Public in and for the County/State of Tennessee



Mary J. Suarez
NOTARY PUBLIC

My commission expires _____,
(Month/Day) (Year)

**My Commission Expires:
February 15, 2016**

INDEX OF ATTACHMENTS

Organizational Documentation	Section A-3
Organizational Chart	Section A-4
Deed/Market Value & Lease Option	Section A-6
Factors in Modification Proposal	Section B, II, A
FDA Approval	Section B, II, E, (1), a, 4
Plot Plan	Section B, III, A (1)
Floor Plan	Section B, IV
Service Area Map	Section C, 3
Utilization of Linear Accelerators and PET/CT	Need, 5
Architect Letter and Equipment Quotes	Economic Feasibility 1
Chief Financial Officer Letter	Economic Feasibility 2(E)
Balance Sheet and Income Statements	Economic Feasibility, 10
License	Orderly Development 7 (c)
State Survey/Inspection	Orderly Development 7 (d)

Organizational Documentation

Section A-3



Secretary of State Business Information Search

[Secretary of State Web Site](#)[Instructions](#)

Name	I.D. Number
BAPTIST MEMORIAL HEALTH CARE CORPORATION	0128385

Business Type*:	CORPORATION
Profit/Nonprofit:	
Status*:	ACTIVE
Date of Formation/Qualification:	05/09/1983
Domestic/Foreign:	DOMESTIC
Place of Incorporation/Organization:	SHELBY
Duration:	PERPETUAL
FYC(Fiscal Year Closing) Month:	SEPTEMBER

Principal Office:**Address Line 1:** 350 N HUMPHREYS BLVD**Address Line 2:****City:** MEMPHIS**State:** TN**Zip:** 381202177**Other than USA:****Registered Agent:****Name:** GREGORY DUCKETT**Address Line 1:** 350 N HUMPHREYS BLVD**Address Line 2:****City:** MEMPHIS**State:** TN**Zip:** 381202177**Business Filing History**

* Important Note: Business filing History includes information about (1) the basis for an inactive status and (2) the current true name and filing status of a business with an assumed name or a changed status.

Note: This information is current as of three working days prior to today's date.

[Search Again](#)[Report a Technical Issue](#)



STATE OF TENNESSEE
Tre Hargett, Secretary of State
Division of Business Services
William R. Snodgrass Tower
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Filing Information

Name: **BAPTIST MEMORIAL HOSPITAL-TIPTON**

General Information

Control # :	97064	Formation Locale:	TENNESSEE
Filing Type:	Corporation Non-Profit - Domestic	Date Formed:	10/15/1980
Filing Date:	10/15/1980 4:30 PM	Fiscal Year Close	9
Status:	Active		
Duration Term:	Perpetual		
Public/Mutual Benefit:	Mutual		

Registered Agent Address

GREGORY M DUCKETT
350 N HUMPHREYS BLVD
MEMPHIS, TN 38120-2177

Principal Address

1995 HIGHWAY 51 S
COVINGTON, TN 38019

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description	Image #
09/23/2011	2011 Annual Report	6941-2676
	Registered Agent Physical Address 1 Changed From: 350 N HUMPHRYES BLVD To: 350 N HUMPHREYS BLVD	
10/15/2010	2010 Annual Report	6782-2912
10/20/2009	2009 Annual Report	6613-2044
	Managed By Changed From: Member Managed To: No Value	
10/23/2008	2008 Annual Report	6391-2714
03/12/2008	Registered Agent Change (by Entity)	6242-2299
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
10/24/2007	2007 Annual Report	6150-0930
11/20/2006	2006 Annual Report	5892-0822
11/22/2005	Registered Agent Change (by Entity)	5614-0101
	Registered Agent Changed	
10/19/2005	2005 Annual Report	5587-0992
12/01/2004	2004 Annual Report	5291-1447
10/01/2003	2003 Annual Report	4924-0456

Page 1 of 2

Filing Information

Name: **BAPTIST MEMORIAL HOSPITAL-TIPTON**

12/17/2002 2002 Annual Report	4677-0260
Principal Address Changed	
07/31/2002 Administrative Amendment	4565-1576
Mail Address Changed	
01/16/2002 2001 Annual Report	4395-2167
12/29/2000 2000 Annual Report	4074-1535
04/24/2000 CMS Annual Report Update	3894-1304
Mail Address Changed	
Fiscal Year Close Changed	
03/10/1999 CMS Annual Report Update	3641-1044
Fiscal Year Close Changed	
12/22/1997 CMS Annual Report Update	3427-0950
Registered Agent Physical Address Changed	
Registered Agent Changed	
05/15/1989 Administrative Amendment	1281-1027
Mail Address Changed	
04/25/1989 Notice of Determination	ROLL 1253
11/28/1983 Articles of Amendment	450 03379
10/21/1983 Registered Agent Change (by Entity)	443 01428
Registered Agent Physical Address Changed	
Registered Agent Changed	
04/28/1982 Articles of Amendment	284 01048
Principal Address Changed	
01/28/1982 Articles of Amendment	265 01185
10/15/1980 Initial Filing	182 00167

Active Assumed Names (If any)	Date	Expires
--------------------------------------	-------------	----------------



Department of State

CERTIFICATE

The undersigned, as Secretary of State of the State of Tennessee, hereby certifies that the attached document was received for filing on behalf of BAPTIST MEMORIAL HOSPITAL-TIPTON
(Name of Corporation)
was duly executed in accordance with the Tennessee General Corporation Act, was found to conform to law and was filed by the undersigned, as Secretary of State, on the date noted on the document.

THEREFORE, the undersigned, as Secretary of State, and by virtue of the authority vested in him by law, hereby issues this certificate and attaches hereto the document which was duly filed on OCTOBER fifteenth, 1980.



Gentry Howell
Secretary of State 28

FILED
SECRETARY OF STATE
1980 OCT 15 PM 1:13

00102 00167
CHARTER

OF
BAPTIST MEMORIAL HOSPITAL - TIPTON

The undersigned natural person(s), having capacity to contract and acting as the incorporator(s) of a corporation under the Tennessee General Corporation Act, adopt the following Charter for such corporation:

1. The name of the corporation is Baptist Memorial Hospital-Tipton.
2. The duration of the corporation is perpetual.
3. The address of the principal office of the corporation in the State of Tennessee shall be Hwy. 51, South Covington, Tennessee 38019.
4. The corporation is not for profit.
5. The corporation is organized and shall be operated exclusively for charitable, educational and scientific purposes, including the establishing, maintaining, conducting, managing, leasing, owning and operating of one or more hospitals, nursing homes, clinics, dispensaries, or other in-patient or out-patient facilities for the care and treatment of the sick, diseased, disabled, injured or other persons in need of hospital, nursing, or related services, together with activities incident or related thereto or which may be appropriate for the carrying out of the foregoing purposes and such activities as are permitted by the Tennessee General Corporation Act.
6. The corporation shall have one member, to-wit:

The Baptist Memorial Hospital
899 Madison Avenue
Memphis, Tennessee 38146
7. No dividends shall be paid and no part of any net earnings of the corporation shall inure to the benefit of or be distributed to its members, trustees, directors, officers or other private persons except that the corporation may pay reasonable compensation to its members, directors, trustees or officers for services rendered and make reasonable reimbursement for expenses incurred on behalf of the corporation. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities which are not permitted to be carried on by a corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue law).
8. Upon dissolution of the corporation and after paying or making provision for paying of all the

FILED
SECRETARY OF STATE

1980 OCT 15 PM 1: 13

0 0 1 0 2 0 0 1 6 0

Liabilities of the corporation, the assets of the corporation shall be distributed to the Baptist Memorial Hospital, 899 Madison Avenue, Memphis, Tennessee if at the time it qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1954 or corresponding provision of any future United States Internal Revenue law. If for any reason Baptist Memorial Hospital shall not then qualify as such an exempt organization then the assets shall be distributed equally to and among the Arkansas, Mississippi and Tennessee conventions of Baptist churches which are affiliated with the Southern Baptist Convention.

DATED:

9/18/80

INCORPORATORS:

Loyn A. Stahl

James H. Crowell



CHARTER

OF

BAPTIST MEMORIAL HOSPITAL-TIPTON

RECEIVED FEE, \$ 10.00

RECEIVED TAX, \$

TOTAL, \$ 10.00

Henry Crowell

Secretary of State

State of Tennessee



Department of State

Certificate

The undersigned, as Secretary of State of the State of Tennessee, hereby certifies that the attached document was received for filing on behalf of

BAPTIST MEMORIAL HOSPITAL-TIPTON

was duly executed in accordance with the Tennessee General Corporation Act, was found to conform to law and was filed by the undersigned, as Secretary of State, on the date noted on the document.

Therefore, the undersigned, as Secretary of State, and by virtue of the authority vested in him by law, hereby issues this certificate and attaches hereto the document which was duly filed on November twenty-eighth, 19 21.



Lentley Crowell
Secretary of State
by Ray J. [unclear]
Deputy

1983 Nov 2 12 15

ARTICLES OF AMENDMENT TO THE CHARTER

OF

BAPTIST MEMORIAL HOSPITAL-TIPTON

Pursuant to the provisions of Section 48-303 of the Tennessee General Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its charter:

1. The name of the corporation is Baptist Memorial Hospital-Tipton.
2. The amendment adopted is
The name of the member is changed from Baptist Memorial Health Care System, Inc. to Baptist Memorial Health Care Development Corporation, 899 Madison Avenue, Memphis, Tennessee 38146.
3. The amendment was duly adopted at meeting of the member on June 21, 1983.
4. This amendment is to be effective when these Articles of Amendment are filed by the Secretary of State.

Dated: November 2, 1983.

BAPTIST MEMORIAL HOSPITAL-TIPTON

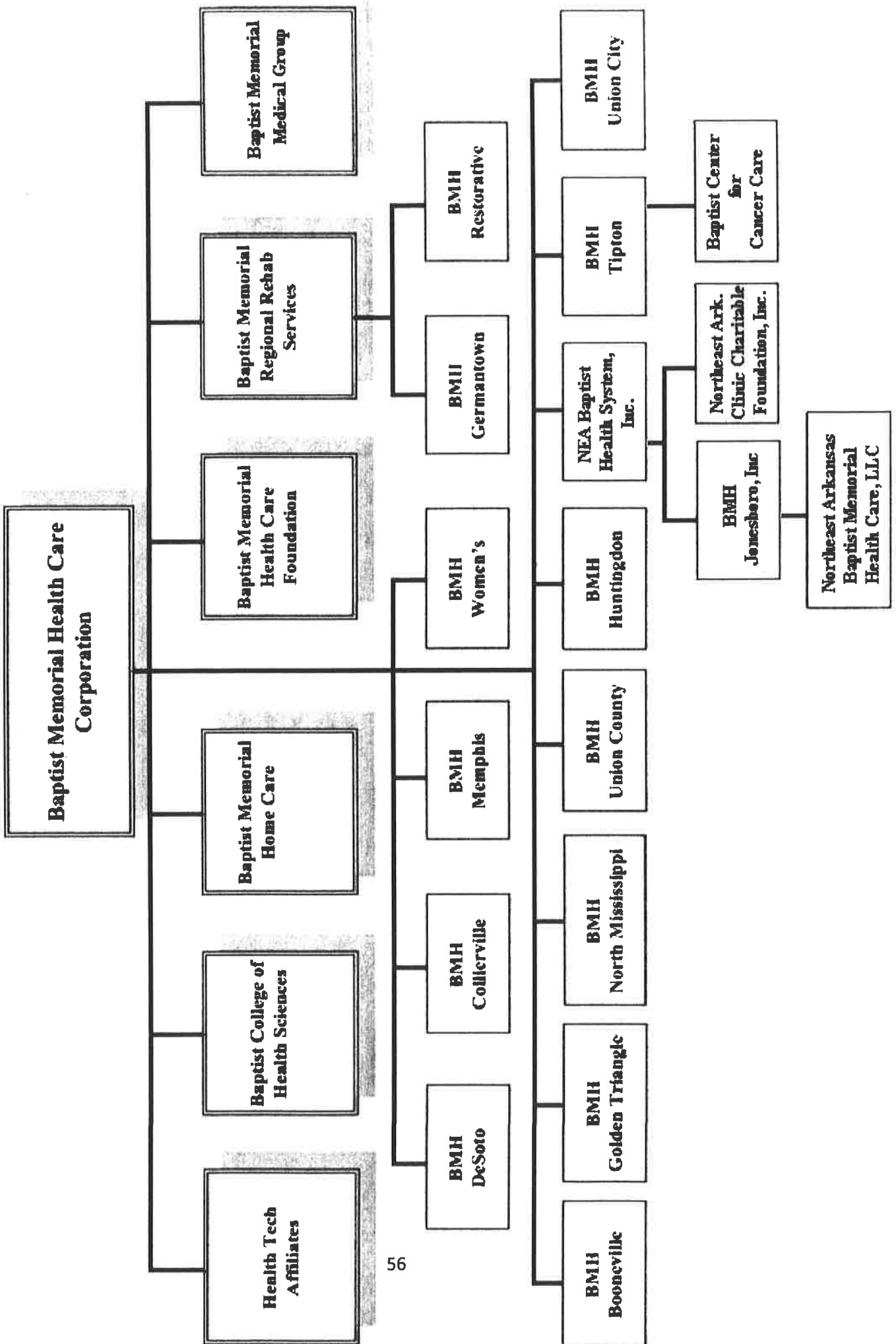
By

Joseph H. Powell
President

Organizational Chart

Section A-4

**Baptist Memorial Health Care System
Memphis, Tennessee**



Deed/Market Value & Lease Option


Section A-6



Tom Leatherwood

Shelby County Register

As evidenced by the instrument number shown below, this document
has been recorded as a permanent record in the archives of the
Office of the Shelby County Register.

	
10068930	
07/07/2010 - 01:01 PM	
3 PPS	
LINDAL 757350-10068930	
VALUE	50.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	15.00
DP FEE	2.00
REGISTER'S FEE	0.00
WALK THRU FEE	7.50
TOTAL AMOUNT	24.50
TOM LEATHERWOOD	
REGISTER OF DEEDS SHELBY COUNTY TENNESSEE	

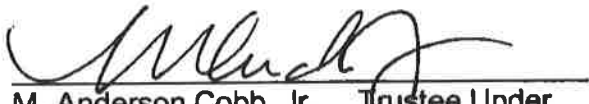
QUITCLAIM DEED

KNOW ALL PERSONS BY THESE PRESENTS, That **M. Anderson Cobb, Jr., Trustee Under that Certain Trust Agreement dated March 16, 2006**, ("Grantor"), for and in consideration of Ten Dollars (\$10.00), does hereby bargain, sell, remise, release, quit claim and convey unto **Baptist Memorial Health Care Corporation**, a Tennessee nonprofit corporation ("Grantee"), party of the second part, all its right, title and interest in and to the following described real estate located in Shelby County, Tennessee, to-wit:

EXHIBIT A ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

Being the same property conveyed to Grantor by deed of record at Instrument No. 06045020 in the Register's Office of Shelby County, Tennessee.

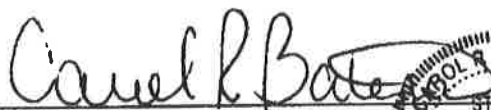
IN TESTIMONY WHEREOF, the parties have hereunto executed this instrument effective as of the 1ST day of July, 2010.


M. Anderson Cobb, Jr., Trustee Under
that Certain Trust Agreement dated March 16, 2006

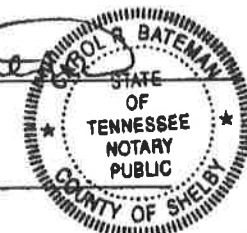
State of Tennessee
County of Shelby

Personally appeared before me, the undersigned, a Notary Public of said County and State, M. Anderson Cobb, Jr., with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand and seal, at office this 1st day of July, 2010.


Notary Public

My Commission Expires: _____



MY COMMISSION EXPIRES:
APRIL 17, 2013 59

I hereby swear or affirm that to the best of affiant's knowledge, information, and belief, the actual consideration for this transfer is less than \$50.00.

M. J. Cobb
Affiant

Subscribed and sworn to before me this 1st day of July, 2010.

Carol R. Bateman
Notary Public

My Commission Expires: _____



MY COMMISSION EXPIRES:
APRIL 17, 2013

Property known as:
50 Humphreys Blvd.
Memphis, Tennessee

Tax Parcel Identification:

080008 00368

Property Owner:
Baptist Memorial Health Care Corporation
350 N. Humphreys Blvd.
Memphis, TN 38120

Mail Tax Bills To:
Baptist Memorial Health Care Corporation
350 N. Humphreys Blvd.
Memphis, TN 38120

Prepared by and return to:
Harris Shelton Hanover Walsh, PLLC
M. Anderson Cobb, Jr.
999 S. Shady Grove Road, Suite 300
Memphis, TN 38120



Tom Leatherwood
Shelby County Register

As evidenced by the instrument number shown below, this document
has been recorded as a permanent record in the archives of the
Office of the Shelby County Register.

06045020	
03/22/2006 - 09:35 AM	
5 PGS : R - WARRANTY DEED	
LTS 388385-6045020	
VALUE	16300000.00
MORTGAGE TAX	0.00
TRANSFER TAX	60310.00
RECORDING FEE	25.00
OF FEE	2.00
REGISTER'S FEE	1.00
WALK THRU FEE	0.00
TOTAL AMOUNT	60338.00
TOM LEATHERWOOD	
REGISTER OF DEEDS SHELBY COUNTY TENNESSEE	

THIS INSTRUMENT PREPARED BY:

E. WOODS WEATHERSBY
EVANS & PETREE PC
1000 RIDGEWAY LOOP ROAD, SUITE 200
MEMPHIS, TENNESSEE 38120
901-525-6781

AFTER RECORDING, RETURN TO:

M. ANDERSON COBB JR.
HARRIS SHELTON HANOVER WALSH
6060 POPLAR AVENUE, SUITE 450
MEMPHIS, TENNESSEE 38119

SPECIAL WARRANTY DEED

THIS INDENTURE made and entered into this 16th day of MARCH, 2006, by and between **BIC-WH Partnership, Ltd.**, a Tennessee limited partnership, party of the first part, and M. Anderson Cobb, Jr., Trustee under that certain Trust Agreement dated March 16, 2006, party of the second part,

WITNESSETH: That for and in consideration of Ten Dollars (\$10.00) cash in hand paid, and other good and valuable consideration, the receipt of all of which is hereby acknowledged, the said party of the first part has bargained and sold and does hereby bargain, sell, convey and confirm unto the said party of the second part the following described real estate situated and being in Shelby County, Tennessee:

That certain real property described on Exhibit "A" attached hereto and incorporated herein by reference as if set forth verbatim.

Being the same property as that conveyed to party of the first part by Quit Claim Deeds of record at Instrument Nos. Y6 2456 and Y6 2458 in the Register's Office of Shelby County, Tennessee.

TO HAVE AND TO HOLD the aforesaid real estate, together with all the appurtenances and hereditaments thereunto belonging or in any wise appertaining unto the said party of the second part, its heirs, successors and assigns in fee simple forever.

And the said party of the first part does hereby covenant with the said party of the second part that the title and quiet possession thereto it warrants only against the lawful claims of all persons claiming by, through or under it, but not further or otherwise.

This conveyance and the Property are subject to all encumbrances set forth on Exhibit "B" attached hereto and incorporated herein by reference as if set forth verbatim.

The word "party" as used herein shall mean "parties" if more than one person or entity be referred to, and pronouns shall be construed according to their proper gender and number according to the context hereof.

WITNESS the signature of the said party of the first part the day and year first above written.

BIC-WH Partnership, Ltd., a Tennessee limited partnership

By: Boyle Investors I, Ltd., a Tennessee limited partnership, its General Partner

By: Boyle Investment Company, a Tennessee corporation, its General Partner

By:

Title:

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, a Notary Public of the state and county aforesaid, personally appeared J. Bayard Boyle, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be Chairman (or other officer authorized to execute the instrument) of Boyle Investment Company, a Tennessee corporation which is the sole general partner of Boyle Investors I, Ltd., a Tennessee limited partnership which is the sole general partner of BIC-WH Partnership, Ltd., a Tennessee limited partnership, and that he executed the foregoing instrument for the purpose therein contained, by signing the name of said corporation, acting in its capacity as sole general partner of Boyle Investors I, Ltd., the sole general partner of BIC-WH Partnership, Ltd., by himself as Chairman.

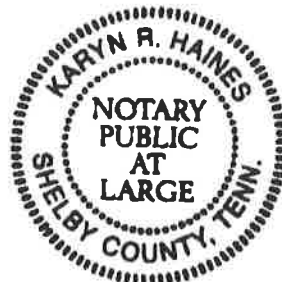
WITNESS MY HAND AND SEAL, this 15th day of March, 2006.

Notary Public

Karyn R. Haines

My Commission Expires:

12.1.07



State Tax\$60,310.00
Register's Fee3.00
Recording Fee\$20.00

Total\$60,333.00

I, or we, hereby swear or affirm that, to the best of affiant's knowledge, information and belief, the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$16,300,000.00, which amount is equal to or greater than the amount which the property transferred would command at a fair and voluntary sale.

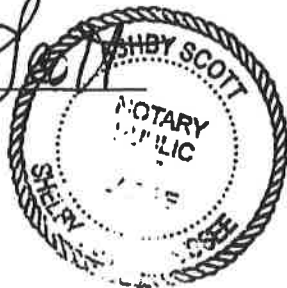

Affiant

Subscribed and sworn to before me this 16th day of March, 2006.


Notary Public

My Commission expires:

MY COMMISSION EXPIRES
MARCH 11, 2008



New Property Owner:

M. Anderson Cobb, Jr., Trustee under that certain Trust Agreement dated March 16, 2006
6060 Poplar Avenue, Suite 450
Memphis, Tennessee 38119

Mail Tax Bills To:

M. Anderson Cobb, Jr., Trustee under that certain Trust Agreement dated March 16, 2006
6060 Poplar Avenue, Suite 450
Memphis, Tennessee 38119

Tax Parcel No.: 080008 00368

Property Address: 50 Humphreys Blvd.
Memphis, Tennessee

Prepared by and return to:
M. Anderson Cobb, Jr.
Harris Shelton Hanover Walsh, PLLC
999 S. Shady Grove Rd., Suite 300
Memphis, TN 38120

OPTION TO PURCHASE

THIS OPTION TO PURCHASE ("Option to Purchase" or "Option Agreement") is made and entered into effective as of the 1st day of November, 2012, by and between Baptist Memorial Health Care Corporation, a Tennessee Non-Profit Corporation ("Owner"), and Baptist Memorial Hospital - Tipton, a Tennessee Non-Profit Corporation ("BMH-Tipton").

For and in consideration of the sum of \$100.00 ("Option Consideration") paid to Owner by BMH-Tipton, the receipt of which is hereby acknowledged by Owner, Owner hereby gives, grants and conveys to BMH-Tipton, its successors and assigns, the **exclusive** right and option to purchase all of that certain tract or parcel of land (and improvements located thereon) located in Memphis, Shelby County, Tennessee, being described on Exhibit "A" attached hereto and incorporated herein by reference ("Site").

The terms and conditions of this Option Agreement are as follows:

1. TERM.

This Option Agreement (and the option granted hereunder) shall have an initial term of two (2) months and shall exist and continue in full force and effect until 5:00 P.M. on the 31st day of December, 2012. The term of this Option Agreement (and the option granted hereunder) may be extended for an extension term of two (2) months by

BMH-Tipton's notifying Owner of such extension in writing prior to the expiration of the initial term of two (2) months and paying to Owner the amount of \$100.00 ("Option Extension Consideration") and in such event this Option Agreement (and the option granted hereunder) shall exist and continue until 5:00 P.M. on the 28th day of February, 2013.

2. EXERCISE.

The option granted hereunder shall be exercised by BMH-Tipton's depositing in the United States mail CERTIFIED MAIL, RETURN RECEIPT REQUESTED, within a then current term of this Option, written notice of exercise to Owner at the address hereinafter provided for notices.

3. CONTRACT UPON EXERCISE.

If this Option to Purchase is exercised by BMH-Tipton, or its successors or assigns, pursuant to the terms hereof, the terms of the purchase and sale of the Site shall be as follows:

(a) PURCHASE PRICE.

In the event BMH-Tipton exercises this Option to Purchase, then the purchase price for the Site shall be Eleven Million and no/100 Dollars (\$11,000,000.00); provided, however, that credit shall be given toward such purchase price for all Option Consideration and Option Extension Consideration paid hereunder to Owner. The purchase price shall be paid by such form of payment as may be acceptable to Owner at the time of closing as hereinafter provided.

(b) CLOSING.

The closing (the "Closing") of the sale and purchase of the Site shall be held not later than thirty (30) days from the date of notice of exercise of this option at such time and place as may be mutually agreed upon. At Closing, the Owner will execute and deliver to BMH-Tipton a Deed conveying to BMH-Tipton, or its successor, assignee or designee, good and marketable title in fee simple to the Site, free and clear of all liens and encumbrances. Possession of the Site shall be given with delivery of the Deed. Real estate

taxes shall be pro-rated as of the date of Closing.

(c) Certain Expenses.

In the event that BMH-Tipton exercises the option to purchase granted hereunder, at the closing of the sale and purchase of the Site the Owner shall pay for the preparation of the deed, title search or abstracts of title, and Owner's attorneys fees. BMH-Tipton shall pay for recording of the deed, state tax and clerk's fees, expenses of title insurance, the survey and its attorneys fees.

4. OWNER'S REPRESENTATIONS AND WARRANTIES.

The Owner represents and warrants that it is the owner of the Site in fee simple absolute and further represents and warrants that there are no agreements, covenants or restrictions of any kind which prohibit or restrict the granting of this option. The Owner further represents and warrants that it has full power and authority to enter into this Option Agreement and to take all necessary action and execute and enter into all necessary instruments and agreements should BMH-Tipton exercise this option.

5. NOTICES.

All notices, requests and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered or mailed FIRST CLASS, POSTAGE PREPAID, BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, addressed to:

OWNER:
Baptist Memorial Health Care Corporation
350 N. Humphreys Blvd.
Memphis, TN 38120

BMH-Tipton:
Baptist Memorial Hospital - Tipton
350 N. Humphreys Blvd.
Memphis, TN 38120

6. RESTRICTION ON LEASING DURING OPTION PERIOD.

During the option period and any extensions, Owner shall not enter into any contracts, leases, renewals, extensions, other options to purchase or lease, or any other agreements or commitments which would grant or provide any person or entity with any rights to purchase, use, lease or otherwise possess the Site or any portion of the Site.

7. BREACH BY OWNER.

In the event that Owner shall fail to perform or observe any of the covenants undertaken by it herein to be performed or observed, or any representation or warranty of Owner hereunder shall be or become untrue when made or enforced, then Owners shall be deemed to be in default with respect hereto. In the event of a default, BMH-Tipton shall have the right to recover any and all remedies and damages to which BMH-Tipton is entitled to law or in equity, including but not limited to specific performance and damages for actual, consequential and incidental damages.

8. MISCELLANEOUS.

(a) This Option Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. This Option may be assigned by BMH-Tipton without the consent of the Owner.

(b) This option shall be governed by the laws of the State of Tennessee.

(c) BMH-Tipton may, at its option and in writing, elect to waive any or all obligations of Owner hereunder to provide and convey good and marketable title, free and clear of all defects and encumbrances.

(d) BMH-Tipton shall have no liability or responsibility for payment of any commission or compensation to any realtor, agent or broker employed by Owner regarding the Site.

(e) This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which collectively shall constitute one instrument. Signatures may be exchanged by telecopy, with original signatures to follow. Each party hereto

agrees that it will be bound by its own telecopied signature and that it accepts the telecopied signatures of the other parties hereto.

9. ENTIRE AGREEMENT.

This Option Agreement and Exhibit hereto represent the entire understanding and agreement between the parties relating to the subject matter hereof and supersede any and all prior agreements, written or oral, that may exist between the parties relating thereto. No terms, conditions, course of dealing or agreement purporting to modify, vary, supplement or explain any provision of this Option Agreement shall be effective unless in writing, signed by the duly authorized representative of the parties.

"OWNER"

Baptist Memorial Health Care Corporation
A Tennessee Non-Profit Corporation

By: Jason Little
Jason M. Little

Title: Executive Vice President and COO

"BMH-Tipton"

Baptist Memorial Hospital - Tipton
A Tennessee Non-Profit Corporation

By: Jason Little
Jason M. Little

Title: Vice President

EXHIBIT A

DESCRIPTION:

Description of part of the BIC-WM Partnership, LTD. property recorded in Instrument No. 78-2438 and Instrument No. 78-2453 and part of the Humphreys South Commercial Association of Owners, Inc. property recorded in Instrument No. FP-5765, being Phase Five, Humphreys Boulevard, P.D. recorded in Plat Book 216, Page 15 in Memphis, Shelby County, Tennessee:

Beginning at a set 1/2" rebar with plastic cap in the west line of Humphreys Boulevard (R.O.W. Varies - Public Road), said point being the southeast corner of said Subdivision recorded in Plat Book 216, Page 15 and the northeast corner of the Humphreys Boulevard P.D., Part of Parcel 18 - Phase 24 recorded in Plat Book 191, Page 1; thence westwardly along the south line of said Subdivision recorded in Plat Book 216, Page 15 and the north line of said Subdivision recorded in Plat Book 191, Page 1 and a north line of Phase IX, Parcel 1, Humphreys Boulevard P.D. recorded in Plat Book 131, Page 54 the following calls: south 63 degrees 41 minutes 26 seconds west, 105.47 feet to a set 1/2" rebar with plastic cap; north 86 degrees 18 minutes 34 seconds west, 02.77 feet to a found 1/2" rebar; south 67 degrees 51 minutes 47 seconds west, 08.15 feet to a point; north 88 degrees 18 minutes 34 seconds west, 237.41 feet to a point; north 50 degrees 28 minutes 55 seconds west, 98.15 feet to a point; north 88 degrees 18 minutes 34 seconds west, 136.83 feet to a set chisel mark in the east line of Humphreys Center Drive (R.O.W. Varies - Private Drive); thence northeastwardly along the east line of said Humphreys Center Drive the following calls: northeastwardly along a curve to the right having a radius of 2120.00 feet, delta angle of 02 degrees 45 minutes 06 seconds, chord bearing of north 02 degrees 18 minutes 53 seconds east, chord distance of 101.80 feet and a curve distance of 101.81 feet to a set cotton picker spindle; north 03 degrees 41 minutes 26 seconds east, 294.75 feet to a set chisel mark; northeastwardly along a curve to the left, having a radius of 608.50 feet, delta angle of 05 degrees 26 minutes 18 seconds east, chord bearing of north 00 degrees 56 minutes 18 seconds east, chord distance of 37.64 feet; and a curve distance of 57.56 feet to a set 1/2" rebar with plastic cap; northeastwardly along a curve to the right, having a radius of 29.50 feet, delta angle of 81 degrees 23 minutes 01 seconds, chord bearing of north 43 degrees 58 minutes 24 seconds east, chord distance of 42.22 feet and a curve distance of 47.08 feet to a set chisel mark in the eastern most west line of said Subdivision recorded in Plat Book 216, Page 15; thence north 00 degrees 22 minutes 22 seconds west along the eastern most west line of said Subdivision recorded in Plat Book 216, Page 15 and across a Private Drive, 87.00 feet to a set chisel mark at the northwest corner of said Subdivision recorded in Plat Book 216, Page 15, said point being in the north line of said Private Drive and the south line of Humphreys Boulevard P.D., Phase XVI, Parcel 1 recorded in Plat Book 148, Page 55; thence eastwardly along the north line of said Subdivision recorded in Plat Book 216, Page 15, the north line of said Private Drive, the south line of said Subdivision recorded in Plat Book 148, Page 55 and the south line of Phase XVII - Parcel 1, Humphreys Boulevard P.D. recorded in Plat Book 166, Page 7 the following calls: southeastwardly along a curve to the right having a radius of 1204.50 feet, delta angle of 04 degrees 03 minutes 47 seconds, chord bearing of south 88 degrees 20 minutes 28 seconds east, chord distance of 85.40 feet and a curve distance of 85.42 feet to a set cotton picker spindle; south 88 degrees 18 minutes 34 seconds west, 212.91 feet to a set cotton picker spindle; northeastwardly along a curve to the left having a radius of 67.50 feet, delta angle of 38 degrees 41 minutes 25 seconds, chord bearing of north 75 degrees 50 minutes 50 seconds east, chord distance of 41.37 feet and a curve distance of 42.05 feet to a set chisel mark; north 31 degrees 58 minutes 46 seconds west, 5.50 feet to a set cotton picker spindle; northeastwardly along a curve to the left having a radius of 44.00 feet, delta angle of 91 degrees 37 minutes 20 seconds, chord bearing of north 12 degrees 11 minutes 44 seconds east, chord distance of 63.10 feet and a curve distance of 70.38 feet to a found chisel mark in the east line of said Humphreys Boulevard; thence southeastwardly along the west line of said Humphreys Boulevard the following calls: southeastwardly along a curve to the right having a radius of 1844.88 feet, delta angle of 08 degrees 54 minutes 45 seconds, chord bearing of south 30 degrees 08 minutes 23 seconds east, chord distance of 222.44 feet and a curve distance of 222.87 feet to a found R.O.W. monument; south 27 degrees 07 minutes 48 seconds east, 452.01 feet to the POINT OF BEGINNING.

Less and except the property constituting the common driveways and described in Instrument Nos. AN 0177 and AN 0180 and in deed of record at Instrument No. FP 5765, all in the Shelby County Register's Office.

APPRAISAL OF REAL PROPERTY

The Shops of Humphreys Center

Shopping Center Property
50 Humphreys Boulevard
Memphis, Shelby County, Tennessee 38120

PREPARED FOR:

M. Anderson Cobb, Trustee
Harris Shelton Hanover Walsh
6060 Poplar Avenue
Memphis, TN 38119

EFFECTIVE DATE OF THE APPRAISAL:

January 1, 2009

REPORT FORMAT:

Summary

INTEGRA REALTY RESOURCES - MEMPHIS

File Number: 143-2009-0172



INTEGRA Realty Resources

LOCAL EXPERTISE...NATIONALLY

INTEGRA

Realty Resources
MEMPHIS
Local Expertise...Nationally

July 30, 2009

M. Anderson Cobb, Trustee
Harris Shelton Hanover Walsh
6060 Poplar Avenue
Memphis, TN 38119

SUBJECT: Market Value Appraisal
 The Shops of Humphreys Center
 50 Humphreys Boulevard
 Memphis, Shelby County, Tennessee 38120
 Integra Memphis File No. 143-2009-0172

Dear Mr. Cobb:

Integra Realty Resources – Memphis is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property. The client for the assignment is Harris Shelton Hanover Walsh, and the intended use is for asset valuation purposes.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and the appraisal guidelines of Harris Shelton Hanover Walsh. The appraisal is also prepared in accordance with the appraisal regulations issued in connection with the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA).

To report the assignments results, we use the summary report option of Standards Rule 2-2 of USPAP. Accordingly, this report contains summary discussions of the data, reasoning, and analyses that are used in the appraisal process whereas supporting documentation is retained in our file. The depth of discussion contained in this report is specific to the needs of the client and the intended use of the appraisal.

The subject is a neighborhood shopping center containing 63,367 square feet of gross leasable area. The improvements were constructed in 1989, and are 65% leased as of the effective appraisal date. The site area is 7.13 acres, or 310,539 square feet.

IRR₂

M. Anderson Cobb, Trustee
Harris Shelton Hanover Walsh
July 30, 2009
Page 2

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of value is as follows:

VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value	Fee Simple	January 1, 2009	\$11,000,000

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

INTEGRA REALTY RESOURCES - MEMPHIS



J. Walter Allen, MAI, MRICS
Managing Director

HEALTHCARE REALTY

6029 Walnut Grove, Suite 400

Memphis, Tennessee 38120

P 901.747.0300

www.healthcarerealty.com

Memo

To: Laura Potts

From: Carma Jude, CCIM

Date: October 26, 2012

RE: Cancer Research Space Lease – Ste 340 80 Humphreys Building

Laura, below is a spreadsheet with the information for the space that is currently leased by the Center for Cancer Research. The table below outlines the rental term for the 3,285 rentable square feet (2,954 usable square feet) comprising Suite 340 of the 80 Humphreys Building.

Year	Base Rate	Monthly Base Rent	<i>Estimated</i> Monthly OpEx	<i>Estimated</i> Total Monthly Rent
1	\$16.00	\$4,380.00	\$2,874.38	\$7,254.38
2	\$16.48	\$4,511.40	\$2,961.98	\$7,473.38
3	\$16.97	\$4,645.54	\$3,049.58	\$7,695.11
4	\$17.48	\$4,785.15	\$3,139.91	\$7,925.06
5	\$18.00	\$4,927.50	\$3,235.73	\$8,163.23

You currently have a First Amendment to Lease out for execution in order to expand Suite 340 by an additional 2,009 rentable square feet (1,807 usable square feet) into the adjacent area currently known as Suite 326. Once this lease is executed and improvements are made to the space, the total rentable area will increase to 5,294 rentable square feet (4,761 usable square feet). The rental amounts will then reflect the estimated amounts in the table below.

Year	Base Rate	Monthly Base Rent	<i>Estimated</i> Monthly OpEx	<i>Estimated</i> Total Monthly Rent
Commencement – 5/31/2013	\$16.00	\$7,058.67	\$4,852.83	\$11,911.50
6/1/13 – 5/31/14	\$16.48	\$7,270.43	\$4,998.42	\$12,268.85
6/1/14 – 5/31/15	\$16.97	\$7,486.60	\$5,148.42	\$12,635.02
6/1/15 – 5/31/16	\$17.48	\$7,711.59	\$5,302.82	\$13,014.41
6/1/16 – 5/31/17	\$18.00	\$7,941.00	\$5,461.64	\$13,402.64

LEASE AGREEMENT
Medical Office Building

This Lease Agreement (the "Lease"), made and entered into as of the Effective Date (as defined in Section 41), is by and between HEALTHCARE REALTY SERVICES INCORPORATED, a Tennessee corporation, as agent for HRT OF TENNESSEE, INC., a Tennessee corporation (the "Landlord"), and BAPTIST MEMORIAL HOSPITAL - TIPTON, a Tennessee non-profit corporation (the "Tenant").

1. **PREMISES.** In consideration of the rents, mutual covenants and agreements set forth herein, the Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord those certain premises located in that certain three story medical office located at 80 Humphreys Boulevard, Memphis, Tennessee (hereinafter called the "Building"), which premises are located on the third (3rd) floor of the Building and are deemed to consist of approximately 2,954 usable square feet and 3,285 rentable square feet (hereinafter called the "Premises"). The Premises are more particularly shown on the floor plan attached hereto as Exhibit "A" and are designated as Suite 340. The Building is ancillary to the campus of Baptist Memorial Hospital Memphis which is owned and operated by Baptist Memorial Hospital, a Tennessee not-for-profit corporation (such not-for-profit corporation is hereinafter referred to as the "Hospital"). Landlord and Tenant agree that the exact number of rentable and usable square feet in the Premises is not yet known. The exact number of rentable and usable square feet in the Premises shall be determined by Landlord by the Lease Term Commencement Date and shall be memorialized in the Lease Term Commencement Date letter attached as Exhibit "D". The Lease Term Commencement Date letter attached as Exhibit "D" also shall memorialize the percentage of the total rentable square feet in the Building comprised of the rentable square feet of the Premises ("Tenant's Proportionate Share").

2. **TERM.** The term of this Lease (the "Lease Term") shall commence on the earlier of (i) the date on which the Tenant opens the Premises for business, or (ii) the date of "substantial completion" of the Premises (as defined in Section 6 hereof), which is estimated to be April 1, 2012 (the "Lease Term Commencement Date") and shall continue for a term of five (5) years plus any additional days as may be required for the Lease Term to expire on the last day of a month.

3. **BASE RENT.** Tenant shall pay to Landlord as Base Rent, without notice, demand, abatement, deduction or setoff, except as elsewhere provided herein, the following amounts:

Lease Year	Annual Base Rent Per RSF	Annual Base Rent	Monthly Base Rent
1	\$16.00	\$52,560.00	\$4,380.00
2	\$16.48	\$54,136.80	\$4,511.40
3	\$16.97	\$55,746.48	\$4,645.54
4	\$17.48	\$57,421.80	\$4,785.15
5	\$18.00	\$59,130.00	\$4,927.50

Landlord and Tenant agree that the amount of Annual Base Rent and Monthly Base Rent in the preceding rental schedule is based on the approximate number of rentable square feet in the Premises. Once the actual number of rentable square feet in the Premises is determined, Landlord and Tenant shall memorialize the final adjusted amount of Annual Base Rent and Monthly Base Rent in the Lease Term Commencement Date letter attached as Exhibit "D".

Base Rent shall be paid in advance in equal monthly installments on the first day of each and every calendar month during the Lease Term; provided, however, that in the event the Lease Term commences

on a day other than the first day of a calendar month, then upon the Lease Term Commencement Date Tenant shall pay to Landlord a pro rata portion of Base Rent for that portion of the calendar month remaining from the Lease Term Commencement Date to the first day of the next following calendar month. Each twelve (12) month period commencing on the Lease Term Commencement Date or any anniversary thereof is referred to herein as a "Lease Year".

4. ADDITIONAL RENTAL. In addition to the Base Rent as specified in this Lease, Tenant agrees to pay to Landlord as additional rent ("Additional Rent") Tenant's Proportionate Share of the Operating Expenses (as hereinafter defined).

For the purposes of determining Additional Rent, "Operating Expenses" shall mean all of Landlord's direct or indirect costs and expenses of every kind and nature, paid or incurred in owning, operating, maintaining, repairing, replacing and protecting the Building and the property upon which the Building is located (including any payments made by Landlord pursuant to any ground lease and/or access easements and/or parking easements related to such property) (collectively the "Property") in a manner equivalent to other first class medical office buildings in the Memphis Metropolitan area as determined by Landlord for a particular calendar year or portion thereof. Tenant, at its expense, shall have the right no more frequently than once per calendar year following thirty (30) days prior written notice to Landlord, to audit Landlord's books and records relating to Operating Expenses at Landlord's office during Landlord's normal office hours.

Itemized categories of Operating Expenses are more particularly described in Exhibit "B" attached hereto and incorporated herein.

Tenant's proportionate share of Operating Expenses for the remainder of the calendar year after the Lease Term Commencement Date and for each subsequent calendar year shall be estimated by Landlord, and written notice thereof shall be given to Tenant. Tenant agrees to pay Landlord each month, at the same time the Base Rent is due, an amount equal to one-twelfth (1/12) of the estimated annual Additional Rent due.

If real estate taxes, or any portion of Operating Expenses including utility, janitorial or other services increase during a calendar year, Landlord may revise the estimated Additional Rent during such year by giving Tenant written notice to that effect, and thereafter Tenant agrees to pay Landlord, in each of the remaining months of such year, an additional amount equal to the amount of such annual increase in the estimated Additional Rent divided by the number of months remaining in such year.

After the end of each calendar year, Landlord shall prepare and deliver to Tenant a statement showing Tenant's total amount of Additional Rent. Within thirty (30) days after receipt of the aforementioned statement, Tenant agrees to pay Landlord, or if Tenant has overpaid, Landlord shall credit against the next Additional Rent payment or payments due from Tenant, as the case may be, the difference between Tenant's actual Additional Rent due for the preceding calendar year and the estimated Additional Rent paid by Tenant during such year. Landlord and Tenant agree that in the calendar year in which this Lease expires or is terminated, Landlord will not deliver the aforementioned statement for such year until the following calendar year. Landlord and Tenant acknowledge and agree that Tenant's obligation to pay Landlord (or, if Tenant has overpaid, Landlord's obligation to refund to Tenant) the difference between Tenant's actual Additional Rent due for such calendar year and the estimated Additional Rent paid by Tenant during such year shall survive the expiration or termination of this Lease.

5. RENT PAYMENT. The Base Rent, Additional Rent and all payments under this Lease to be made by Tenant to Landlord (collectively referred to hereinafter as the "Rent") shall be made payable to, and mailed or personally delivered to Landlord at the address designated in writing by Landlord. No payment by Tenant or receipt by Landlord of a lesser amount than the entire payment due under this Lease shall be considered anything other than a payment on account of the earliest Rent due.

If any Rent or other payment under this Lease is not paid when due, it shall bear interest at the rate of 10.75% per annum until paid, and in addition, the Rent payment shall be subject to a twenty-five dollar

(\$25.00) late service charge per day if not paid on or before the tenth (10th) day of each month. However, this provision shall not relieve Tenant from any default.

If applicable, Tenant shall pay and be liable for all rental, sales and use taxes or other similar taxes, if any, levied or imposed on Rent payments by any city, county, state or other governmental body having authority, such payments to be in addition to all other payments required to be paid to Landlord by Tenant under the terms of this Lease. Any such payment shall be paid concurrently with the payment of the Rent upon which such tax is based.

6. DELIVERY OF PREMISES. a. Landlord anticipates the Premises will be completed by the estimated Lease Term Commencement Date set forth in Section 2 of this Lease, but Tenant understands Landlord cannot guarantee completion by that date. Tenant acknowledges and agrees that completion of the Premises may be delayed by causes that are beyond Landlord's control and Tenant agrees that completion of the Premises and the Lease Term Commencement Date will be extended accordingly. Landlord will not be liable for any delays in completion of the Premises or in the Lease Term Commencement Date and Landlord will not have to make, provide or compensate Tenant for any accommodations or costs as a result of any delays, and any delays will not permit Tenant to cancel or amend this Lease, or diminish any of Tenant's obligations under this Lease.

b. Tenant agrees that no representations, statements or warranties expressed or implied have been made by or on behalf of Landlord in respect to the Premises except as contained in this Lease. Except for the work to be performed by Landlord, if any, at Tenant's sole expense pursuant to the Work Letter Agreement attached hereto as Exhibit "C", Tenant agrees that Landlord shall not be obligated to make any improvements or alterations to the Premises prior to the Lease Term Commencement Date. Upon the Lease Term Commencement Date, Tenant shall accept the Premises in its existing condition and state of repair.

c. By taking possession of the Premises, Tenant shall be deemed to have acknowledged that Tenant's Construction Work (as defined in Exhibit "C") substantially conforms to the plans and specifications for such work, except for normal "punch list" items which can reasonably be completed after Tenant has taken possession of the Premises, which "punch list" items are disclosed to Landlord in writing within ten (10) days after Tenant takes possession of the Premises.

d. Landlord shall cause the repair or replacement of any defects in material or workmanship in Tenant's Construction Work, if any, if Landlord receives written notification of such defect from Tenant within the period of one (1) year after the date of "substantial completion" (as defined hereinafter) of Tenant's Construction Work. Tenant's Construction Work shall be deemed "substantially complete" when such work has been completed as certified by Landlord's architect, except for normal "punch list" items which can reasonably be completed after Tenant has taken possession of the Premises, without substantial interference with Tenant's business. Tenant's sole and exclusive remedy against Landlord shall be for the repair and replacement of defects of material and workmanship as provided herein, and Landlord shall not be responsible for any defect of any nature in Tenant's Construction Work installed by Landlord of which Landlord is not so notified within such one (1) year period. LANDLORD MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, IN CONNECTION WITH TENANT'S CONSTRUCTION WORK EXCEPT THE WARRANTIES EXPRESSLY SET FORTH IN THIS SECTION 6. TENANT'S SOLE REMEDY FOR THE BREACH OF ANY APPLICABLE WARRANTY SHALL BE THE REMEDY SET FORTH IN THIS SECTION 6. Tenant agrees that no other remedy, including without limitation, incidental or consequential damages for lost profits, injury to person or property, or any other incidental or consequential loss shall be available to Tenant.

e. When the Lease Term Commencement Date has been determined, Tenant shall execute, acknowledge and deliver to Landlord the written statement attached hereto as Exhibit "D" specifying the Lease Term Commencement Date.

f. Prior to the Lease Term Commencement Date, Tenant shall not put any property in the Premises or enter the Premises or interfere with the progress of construction or with workmen, and Tenant shall not permit such entry or interference by others. Landlord will not be liable for any injury resulting from Tenant's breach of this paragraph. However, if Tenant shall occupy the Premises prior to the Lease Term Commencement Date with Landlord's consent, but not open for business, such occupancy by Tenant shall be deemed to be that of a tenant under all of the terms, covenants, and conditions of this Lease, except that the obligation to pay Rent shall not be due and payable until the Lease Term Commencement Date.

g. If a casualty occurs to the Premises and/or the Building prior to the Lease Term Commencement Date, Landlord may, at Landlord's option, either cancel this Lease, in which event this Lease shall become void and of no effect, or rebuild as soon as possible, in which event this Lease shall remain in full force and effect. However, under no circumstances shall Tenant have any interest in any insurance proceeds attributable to said casualty. In the event of a casualty, if Landlord cannot obtain all utilities, permits and authorizations necessary to reconstruct the Building and/or the interior improvements in accordance with the plans and specifications therefor or complete reconstruction of the Building within a reasonable time, Landlord may terminate this Lease by delivering written notice thereof to Tenant, in which event Landlord shall return the Security Deposit, if any, to Tenant and Landlord and Tenant shall have no further obligations or liabilities under this Lease.

7. SECURITY DEPOSIT. Intentionally Deleted.

8. USE OF PREMISES. Tenant shall use and occupy the Premises throughout the Lease Term solely for the purpose of operating and maintaining a physician's office for examining and treating patients and for conducting oncology research, and for no other purpose whatsoever. Tenant will not use the Premises or any part thereof for any use not permitted in Exhibit "E" attached hereto. Tenant recognizes that these restrictions on the use of the Premises are a material consideration for Landlord to enter into this Lease.

Tenant shall comply with all laws, ordinances, rules and regulations pertaining to the use and occupation of the Premises. Tenant shall also comply with any use restrictions or declarations of restrictive covenants affecting the Premises which are of record in the real estate records in the county in which the Premises are located. No use shall be made or permitted to be made of the Premises, nor acts done, which will increase the existing rate of insurance upon the Building in which said Premises may be located, or cause a cancellation of any insurance policy covering said Building. Tenant shall not commit, or suffer to be committed, any waste upon said Premises or any public or private nuisance, or other act or thing which may disturb the quiet enjoyment of any other tenant in the Building in which the Premises may be located.

Tenant, if an individual, covenants to Landlord that Tenant shall at all times remain in compliance with all requirements necessary to qualify as a member in good standing on the active, courtesy or consulting medical staff of Baptist Memorial Hospital Memphis.

Tenant covenants to Landlord that Tenant shall not permit any physician to practice medicine in the Premises who is not in compliance with all requirements necessary to qualify as a member in good standing on the active, courtesy or consulting medical staff of Baptist Memorial Hospital Memphis.

The parties expressly acknowledge that it has been and continues to be their intent to comply fully with all applicable federal, state, and local laws, rules and regulations. It is neither a purpose nor a requirement of this Lease or any other agreement between the parties to offer or receive any remuneration or benefit of any nature for the referral of, or to solicit, require, induce or encourage the referral of, any patient, item or business, payment for which payment may be made or sought in whole or in part under Medicare, Medicaid or any other state reimbursement program. This Lease has been prepared to comply, to the extent possible, with all applicable Safe Harbor regulations and to comply with the Stark Law and all rules and regulations thereunder. All compensation and payments provided hereunder are intended to represent fair market value for the service provided and it expressly acknowledged that no payment made or received under this Lease is in return for the referral of patients or in return for the purchasing, leasing, ordering, or arranging for or recommending the purchasing, leasing, or ordering of any good, service, item

or product for which payment may be made or sought in whole or in part under Medicare, Medicaid or any other state reimbursement program.

9. ENVIRONMENTAL COMPLIANCE. Tenant warrants that it shall not cause or permit any Hazardous Materials (as hereinafter defined) to be brought, kept or used in or about Premises by Tenant, its subtenants, agents, employees, contractors, or invitees except in commercial quantities similar to those quantities usually kept on similar premises by others in the same business or profession. Tenant shall cause all such materials to be stored, used and disposed of in compliance with all applicable federal, state and local laws, including, without limitation, laws governing Hazardous Materials. If the presence of any Hazardous Materials on, in or under the Premises caused or permitted by Tenant, its subtenants, agents, employees, contractors or invitees results in any contamination of the Premises, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the affected area to the condition existing prior to the introduction of any such Hazardous Materials, including, without limitation, any investigation or monitoring of site conditions or any clean up, remediation, response, removal, encapsulation, containment or restoration work required because of the presence of any such Hazardous Materials on, in or under the Premises or any release or suspected release or threat of release of any such Hazardous Materials in the air, soil, surface water or ground water.

"Hazardous Materials" as such term is used in this Lease means any hazardous or toxic substances, material or waste, regulated or listed pursuant to any federal, state or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act and the Occupational Safety and Health Act as such Acts have been or are hereafter amended from time to time.

Tenant shall indemnify Landlord against any and all claims, demands, liabilities, losses and expenses, including consultant fees, court costs and reasonable attorneys' fees, arising out of any breach of the foregoing warranty. Further, Tenant agrees to indemnify Landlord against any and all claims, demands, liabilities, losses and expenses, including consultant fees, court costs and reasonable attorneys' fees, arising from or caused in whole or in part, directly or indirectly, by (i) any release of Hazardous Materials by Tenant or Tenant's agents on the Premises or the Building during the Lease Term; or (ii) Tenant's failure to comply with any hazardous materials laws with respect to the Premises. For purposes of the indemnity provisions hereof, any acts or omissions of Tenant, or by Tenant's representatives, contractors, assigns, invitees or any other occupant of the Premises (whether or not they are negligent, intentional, willful or unlawful) shall be strictly attributable to Tenant. Tenant's obligations pursuant to the foregoing warranty and indemnity shall survive the expiration or earlier termination of this Lease.

Notwithstanding anything to the contrary herein, Tenant shall have no obligation to indemnify Landlord for any claims, liabilities, losses and expenses arising out of any Hazardous Materials placed, stored or used in the Building by Landlord or its agents, employees or contractors.

10. UTILITIES, MAINTENANCE AND SERVICES. Landlord agrees to furnish the Premises with heat and air conditioning, as a part of the Operating Expenses, during Normal Hours of Operation, while Tenant is not in default under any of the provisions of this Lease, and subject to the regulations of the Building wherein the Premises are situated. As a part of the Operating Expenses, Landlord shall furnish elevator services, if installed, water and normal electric current for lighting, ordinary medical equipment and business appliances. Landlord may impose a reasonable charge for any utilities and services, including without limitation, air conditioning, electrical current, and water, provided by Landlord by reason of any substantial use of the Premises at any time other than the hours set forth above or for any use beyond that which Landlord agrees herein to furnish such services and utilities or because of special electrical, cooling and ventilating needs created by Tenant's telephone equipment, computers and other equipment or uses. For purposes of this Lease, the term "Normal Hours of Operation for the Building" shall mean 7:00 a.m. to 6:00 p.m. Mondays through Fridays, and 7:00 a.m. to 1:00 p.m. on Saturdays, exclusive of the normal business holidays of New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Landlord shall (i) maintain and repair the plumbing lines serving the Premises to the point of entry into the Premises except where a repair to same is needed as a result of Tenant's, its employees' or invitees' negligence or misuse in which case Tenant shall be responsible to make such repairs; (ii) except as otherwise provided in this paragraph, maintain and repair heating and air conditioning systems, Building standard lighting, and mechanical systems serving the Premises and/or in public common areas of the Building; (iii) be responsible for the removal of Tenant's trash (excluding red bag service and the removal of medical waste or hazardous materials), but said trash shall be placed by Tenant in its containers which shall be located within the Premises; (iv) maintain in good order and repair and in a clean and orderly condition the roof, exterior walls and public areas in the Building of which Premises are a part, together with any parking area owned or leased by Landlord which is adjacent to the Building; (v) provide general janitorial services to the Premises (Monday through Friday, exclusive of the normal business holidays of New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day) between 5:00 PM and 3:00 AM. Landlord shall not be liable under any circumstances for failure to furnish, or the stoppage or interruption of such services when such failure, or stoppage or interruption of services is caused by conditions beyond the control of Landlord, or by accidents, repairs or strikes; nor shall such failure, or stoppage or interruption of such services constitute an eviction of Tenant; nor work an abatement of Rent. Tenant shall maintain and repair any plumbing lines (including water heaters) which are physically located within the Premises and such maintenance and repair services must be performed by a vendor approved in writing by Landlord. If Tenant installs or causes a (a) special lighting system or component to be installed in the Premises, Tenant shall be responsible to maintain and/or replace such lighting system or component at Tenant's sole cost, and (b) special heating or air conditioning system to be installed in the Premises for the purpose of maintaining a temperature controlled environment for computer systems and/or medical equipment, Tenant shall be responsible to maintain and/or replace such special heating or air conditioning system at Tenant's sole cost. In the event Landlord gives Tenant written consent to install an x-ray machine in the Premises, Tenant shall be responsible to maintain and keep clear of debris all x-ray drains. Notwithstanding any of the provisions of this paragraph, Tenant shall be responsible for the lawful removal and cost of removing medical, special or infectious wastes from the Premises.

With respect to lighting in the Premises, Landlord shall replace all Building standard fluorescent light bulbs/tubes in the Premises. All other light bulbs must be replaced by Tenant at Tenant's sole cost. With respect to ceiling tiles, Landlord shall only be responsible for upkeep and maintenance of Building standard ceiling tiles in the Premises. With respect to paper and soap products, Landlord shall not be responsible to provide or supply any toiletry items, paper products, examination table paper, soap or other hygiene materials to the Premises for Tenant's use in the Premises; provided, however, Landlord shall supply toilet paper, paper towels and soap to all public restrooms in public common areas in the Building.

In no event shall Tenant use or install any wireless telecommunications equipment (other than wireless telephones and secured wireless networks) or associated cabling and conduit in the Premises, the Building or on the roof or façade of the Building except through the Building's central telecommunications cabling distribution system (if such a central telecommunications cabling system has been provided by Landlord) without the prior written approval of Landlord.

If Tenant installs or causes to be installed any electronic cabling, telecommunication (including telephone and data transmission lines) cabling or computer cabling (collectively referred to hereinafter as "Cabling") within the Premises, Tenant shall remove all Cabling, at Tenant's sole cost and expense, at the expiration or earlier termination of this Lease, unless Landlord gives Tenant written consent stating that removal of Cabling is not required. In the event Landlord consents to Tenant's non-removal of Cabling, all Cabling shall become the property of Landlord. Upon the expiration or earlier termination of this Lease, Landlord shall have the right to remove any Cabling that Tenant was obligated to remove and failed to remove from the Premises without Landlord's written consent. Tenant shall reimburse Landlord for the costs of removing such Cabling within fifteen (15) days after receipt of Landlord's invoice for such costs and said obligation to reimburse Landlord shall survive the expiration or earlier termination of this Lease.

Landlord may, at its option and at the sole cost and expense of Tenant or from proceeds of Tenant's insurance, repair or replace any damage or injury done to the Building or any part thereof, caused by

Tenant, Tenant's agents, employees, licensees, invitees or visitors; Tenant shall pay the cost thereof plus a twenty percent (20%) administrative fee to Landlord on demand. Tenant further agrees to maintain and keep the interior of the Premises in good repair and condition at Tenant's expense. Tenant agrees at the termination of this Lease, by lapse of time or otherwise, to deliver up the Premises to Landlord in as good condition as it existed on the date of possession by Tenant, ordinary wear and tear alone excepted, and Landlord shall have the right to re-enter and resume possession of the Premises whether or not the Premises are vacated by Tenant.

11. ALTERATION OF PREMISES. Tenant shall maintain the Premises in good condition and shall not alter, repair or change the Premises without the prior written consent of the Landlord, which consent shall not be unreasonably withheld. In the event Landlord consents to any alterations or improvements to the Premises, such alterations or improvements shall remain in the Premises and shall be surrendered to Landlord with the Premises at the expiration or earlier termination of this Lease unless Landlord directs, in writing at least thirty (30) days prior to the termination of the Lease, that Tenant restore the Premises to its original condition, normal wear and tear excepted.

12. INSURANCE. Landlord agrees, as an Operating Expense, to maintain in full force and effect throughout the entire Lease Term general fire and extended coverage insurance including vandalism and commercial general liability insurance. To the extent Landlord also maintains any insurance in any way connected with the Premises, Landlord's insurance shall be excess coverage and Tenant's insurance shall be primary coverage.

Tenant agrees to maintain and keep in force during the Lease Term, without expense to Landlord, with an insurance company with a general policy rating of not less than A and a financial rating of not less than Class X as rated in the most current Best's Insurance Reports and qualified to do business in the state in which the Premises are located or other company acceptable to Landlord, the following policies, all of which shall provide that they shall not be canceled nor coverage reduced by the insurer without first giving at least thirty (30) days' prior written notice to Landlord:

(a) Commercial general liability insurance, in the name of Tenant and naming Landlord and Landlord's property manager as additional insureds, against any liability for injury to or death of persons resulting from any occurrence in or about the Premises and for damage to property in such amounts as may from time to time be customary with respect to similar properties in the same area, but in any event not less than \$1,000,000 for each occurrence and, in case of property damage, not less than \$500,000 for any one occurrence; and

(b) Professional liability insurance applicable to Tenant, any physician or healthcare professional associated with or utilized by Tenant, and services provided by Tenant, in the minimum amount of \$1,000,000 per occurrence/\$3,000,000 annual aggregate per physician/healthcare professional.

To the extent of any and all insurance maintained by either Landlord or Tenant in any way connected with the Premises, Landlord and Tenant hereby waive on behalf of their respective insurance carrier any right of subrogation that may exist or arise as against the other party to this Lease. Tenant shall deliver to Landlord copies of policies of liability insurance required in this Section 12 or certificates evidencing the existence and amounts of such insurance at the following times: (a) prior to occupancy of the Premises, (b) prior to the expiration of any policies previously furnished to Landlord, and (c) upon the reasonable request of Landlord.

13. INDEMNIFICATION OF LANDLORD. Tenant, as a material part of the consideration to be rendered to Landlord under this Lease, hereby waives all claims against Landlord for damages to goods, wares, merchandise and property in and about said Premises and for injuries to persons in or about said Premises or the property of which the Premises are a part, from any cause. Tenant shall indemnify, protect, defend and hold Landlord harmless from and against any and all claims, liabilities, losses, damages, judgments and suits arising from Tenant's use, occupancy or enjoyment of the Premises and its facilities or the conduct of Tenant's business or from any activity, work or things done, permitted or suffered by Tenant, or its agents, employees and invitees in or about the Premises and Tenant shall pay

Landlord's actual attorney's fees and litigation costs incurred in connection therewith. Tenant agrees to pay for all damages to the Building, as well as all damages to the tenants or occupants thereof caused by the Tenant's negligence, misuse, or neglect of said Premises or appurtenances. Tenant's indemnity obligations under this Section shall survive the expiration or earlier termination of this Lease.

14. MECHANIC'S LIENS. Tenant shall not suffer or permit any mechanic's liens or materialman's liens to be filed against the real property of which the Premises form a part nor against the Tenant's leasehold interest in the Premises.

15. ABANDONMENT OF PREMISES. Tenant shall not vacate or abandon the Premises for a period greater than sixty (60) days at any time during the Lease Term and if Tenant shall abandon, vacate or surrender the Premises, or be dispossessed by process of law, or otherwise, any personal property belonging to the Tenant and left on the Premises shall be deemed abandoned, at the option of the Landlord.

16. LANDLORD'S RIGHT OF ENTRY. Landlord or its agents shall have the right to enter the Premises at reasonable times in order to examine it, to show it to prospective tenants, lenders, ground lessors, and purchasers, or to make such decorations, repairs, alterations, improvements or additions as Landlord shall deem necessary or desirable. Landlord will give Tenant reasonable notice of its requirements, and will be responsible for conducting such work so as not to impair Tenant's use and enjoyment of the Premises.

17. DESTRUCTION OF PREMISES, EMINENT DOMAIN. a. In the event of a complete or partial destruction of the Premises during the Lease Term from any cause, Landlord shall forthwith repair the same, provided such repair can be made within sixty (60) days under applicable laws and regulations, and in such event Rent will be abated until the damage is repaired, in proportion to the part of the Premises which is so rendered untenable, unless such damage was a result, in whole or in part, of the negligence or willful misconduct of Tenant. In the event of an abatement of Rent under this Section 17(a), the Lease Term shall be automatically extended for a period of time equal to the period of time of the abatement. If such repairs cannot be made within sixty (60) days, Landlord shall have the right to terminate this Lease. In addition to the above, in the event that the Building is destroyed to the extent of not less than thirty-three and one-third percent (33-1/3%) the replacement cost thereof, Landlord may elect to terminate this Lease, whether or not the Premises are insured, by written notice to Tenant. A total destruction of the Building in which the said Premises are situated shall automatically terminate this Lease. If any portion of the Premises or the Building shall be damaged by fire or other casualty resulting from the fault or negligence of Tenant, or the agents, employees, licensees or invitees of Tenant, such damage shall be repaired by and at the expense of Tenant under the direction and supervision of Landlord, and Rent shall continue during such repair without abatement. Except for the abatement of Rent permitted in the first sentence of this Section 17(a), Tenant shall not otherwise be entitled to seek an abatement or reduction of or set off against any portion of the Rent, nor shall the obligations of Tenant be otherwise affected by reason of any cause whatsoever. Tenant hereby specifically waives all rights, arising from any occurrence whatsoever, which may now or hereafter be conferred upon it by law to (i) modify, surrender or terminate this Lease or (ii) entitle Tenant to any abatement, reduction, suspension or deferment of the obligation to pay Rent or other sums payable by Tenant hereunder, except as otherwise specifically provided in the express provisions of this Lease.

b. (i) If any action or proceeding is commenced for the condemnation of the Building or any portion thereof, or if Landlord is advised in writing by any government (federal, state or local) agency or department or bureau thereof, or any entity or body having the right or power of condemnation, of its intention to condemn all or any portion of the Building at the time thereof, Landlord may, without any obligation or liability to Tenant, and without affecting the validity and existence of this Lease other than as hereafter expressly provided, agree to sell and/or convey to the condemnor. Tenant shall have no claim against Landlord nor be entitled to any part or portion of the amount that may be paid or awarded as a result of the sale, for the reasons as aforesaid, or condemnation of the Building or any part or portion thereof. Tenant shall be entitled to seek to recover as against the condemnor, and Landlord shall have no claim for or thereto, for Tenant's trade fixtures and any removable structures and improvements erected

and made by Tenant to or upon the Premises which Tenant is entitled to remove at the expiration of this Lease. (ii) If only a part of the Building is condemned and taken and the Premises or the remaining portion thereof is not suitable for purposes for which Tenant has leased said Premises, either Landlord or Tenant shall have the option to terminate this Lease at the time of such taking. If by such condemnation and taking only a part of the Building is taken, and the Premises or the remaining part thereof is suitable for the purposes for which Tenant has leased said Premises, this Lease shall continue, but the rental shall be reduced in an amount proportionate to the percentage that the floor area of that portion of the Premises taken by eminent domain, if any, bears to the floor area of the entire Premises.

18. BANKRUPTCY. If a general assignment is made by Tenant or any guarantor of this Lease for the benefit of creditors, or if any action is taken by or against Tenant or any guarantor of this Lease under any insolvency or bankruptcy act, or if a receiver is appointed to take possession of all or substantially all of the assets of Tenant or any guarantor of this Lease (and Tenant or such guarantor fails to terminate such receivership within sixty (60) days after such appointment), or if Tenant or any guarantor of this Lease is adjudicated bankrupt, or if Tenant or any guarantor of this Lease admits in writing that it cannot meet its obligations as they become due, or if Tenant or any guarantor of this Lease is declared insolvent according to any law, or the interest of Tenant under this Lease is levied on under execution or other legal process, or if any petition is filed by or against Tenant to delay, reduce or modify Tenant's capital structure if Tenant is a corporation or other entity, then Tenant shall be in default under this Lease and Landlord shall be entitled to all remedies available under Section 19.

19. DEFAULT BY TENANT. If Tenant fails to (i) perform or observe any covenant (other than the covenant to pay Rent or any other sums due hereunder) to be performed by Tenant under this Lease and continues to fail to perform or observe same for a period of fifteen (15) days after receipt of written notice from Landlord pertaining thereto (or a reasonable period of time, using due diligence, if such default cannot be cured within said fifteen (15) day period); or (ii) pay any Rent or other sum due hereunder at the time such payment is due; then Tenant shall be deemed to have breached this Lease and Landlord, at its option, may have any one or more of the following remedies, in addition to other rights or remedies it may have at law or in equity:

a. Landlord may terminate this Lease and without further notice repossess the Premises, and be entitled to recover as damages a sum of money equal to the total of (i) the cost of recovering the Premises, (ii) the unpaid Rent earned at the time of termination, plus interest thereon, (iii) the balance of the Rent for the remainder of the Lease Term, (iv) costs of reletting and refurbishing, and (v) any other sum of money and damages owed by Tenant to Landlord; or

b. Landlord may immediately terminate Tenant's right of possession of the Premises, but not terminate this Lease, and without notice or demand enter upon the Premises or any part thereof and take absolute possession of the same, and, at Landlord's sole option, may relet the Premises or any part thereof for such terms and such rents as Landlord may reasonably elect. Reletting of the Premises shall not be construed as an election on the part of Landlord to terminate this Lease and, notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for default; or

c. In lieu of, or in addition to, bringing an action for any or all of the recoveries described in paragraphs (a) or (b) above, Landlord may bring an action to recover and regain possession of the Premises in the manner provided by the laws of unlawful detainer then in effect in the state in which the Premises are located.

Notwithstanding the foregoing, if Tenant shall breach this Lease by failing to perform any covenant (other than the covenant to pay Rent or other sums due hereunder) two (2) or more times in any twelve (12) month period, then notwithstanding that each such breach has been cured by Tenant any further similar breach shall be deemed an event of default without the ability to cure.

20. DEFAULT BY LANDLORD. Except as otherwise provided in this Lease, Landlord shall be in default under this Lease if Landlord fails to perform any of its obligations hereunder and said failure

continues for a period of thirty (30) days after receipt of written notice thereof from Tenant to Landlord (unless such failure cannot reasonably be cured within thirty (30) days and Landlord shall have commenced to cure said failure within said thirty (30) days and continues diligently to pursue the curing of the same). If Landlord shall be in default under this Lease and, as a consequence of such default Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the right, title and interest of Landlord in the Building as the same may then be encumbered and Landlord shall not be liable for any deficiency. In no event shall Tenant have the right to levy an execution against any property of Landlord other than its interest in the Building. Tenant agrees that no other remedy, including without limitation, incidental or consequential damages for lost profits, injury to person or property, or any other incidental or consequential loss shall be available to Tenant.

21. RULES AND REGULATIONS. The Tenant shall comply with all reasonable rules and regulations now or hereinafter adopted by the Landlord during the existence of this Lease. Current rules and regulations governing Tenant's conduct in the Building are attached hereto as Exhibit "F".

22. NOTICE. All notices or consents required or permitted under this Lease shall be given in writing and delivered (i) in person, (ii) by United States mail, by certified or registered mail, return receipt requested, or (iii) by recognized overnight courier service (e.g., UPS Next Day or FedEx). If sent by certified or registered mail, such notice shall be deemed delivered two (2) days after deposit in the U.S. mail. If sent by hand delivery or overnight courier service, such notice shall be deemed delivered on the date the notice is received. Notice to the Landlord and Tenant shall be delivered or sent to the addresses set forth below:

Landlord's address:

c/o Healthcare Realty Trust Incorporated
3310 West End Avenue, Suite 700
Nashville, Tennessee 37203
Attention: Assistant General Counsel

with a copy to Agent at:

Healthcare Realty Services Incorporated
6029 Walnut Grove, Suite 400
Memphis, TN 38120
Attention: Leasing/Portfolio Director

Tenant's address:

Baptist Memorial Hospital – Tipton
350 N. Humphreys Boulevard
Memphis, Tennessee 38120

23. ASSIGNMENT AND SUBLETTING. Tenant shall not assign this Lease or sublease all or any part of the Premises, by operation of law or otherwise, except with the prior written consent of Landlord. If the Tenant is a corporation, the happening of any of the following events shall be considered an assignment hereunder: (i) the merger or consolidation of such corporation into or with another; or (ii) the sale, exchange, or other disposition of the majority of the outstanding stock of such corporation resulting in the loss of control thereof by such person who is the majority shareholder upon the date of the execution hereof. If the Tenant is a professional association, partnership, limited liability company or other limited liability entity, the happening of any of the following events shall be considered an assignment hereunder: (i) the merger or consolidation of such professional association, partnership, limited liability company or other limited liability entity into or with another; or (ii) the sale, exchange, or other disposition of a beneficial ownership interest in such professional association, partnership, limited liability company or other limited liability entity resulting in the loss of control thereof by such person who is the holder of the majority beneficial ownership interest upon the date of the execution hereof.

24. RELOCATION. Landlord shall have the right, upon not less than ninety (90) days prior written notice to Tenant, to relocate Tenant to other space designated by Landlord within the Building provided that: (a) Landlord shall pay all reasonable costs of such relocation, including, without limitation, moving costs, installation of telecommunication and computer lines, and printing costs for new stationary, (b) such relocation shall be performed on a weekend so as to minimize any interruption to Tenant's business, (c) the floor area of such relocation space shall be not less than the floor area of the Premises, and (d) the finishes in such relocation space shall be comparable to the finishes in the Premises prior to such relocation. Upon any such relocation, this Lease shall be deemed to be amended so as to change the location of the Premises to the relocation space and upon request by Landlord, Tenant shall execute an amendment to this Lease acknowledging such relocation.

25. ATTORNEYS FEES. In the event of any legal or equitable action arising out of this Lease, the prevailing party shall be entitled to recover all fees, costs and expenses, together with reasonable attorneys' fees incurred in connection with such action.

26. GOVERNING LAW. This Lease shall be governed by the laws of the state in which the Premises are located.

27. BROKERS. Tenant represents and warrants to Landlord that Tenant has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, and that Tenant knows of no other real estate broker or agent who is or might be entitled to a commission in connection with this Lease. Tenant hereby agrees to indemnify the Landlord for any breach of the warranty given by Tenant in this Section.

28. SUBORDINATION AND ATTORNMENT. This Lease is subject and subordinate to any lease wherein Landlord is lessee (including that certain Ground Lease Agreement between the Hospital, as lessor, and Landlord, as lessee, dated September 25, 2001 (the "Ground Lease")) and to any mortgages or deeds of trust which may now or hereafter be placed upon or affect the property or Building of which the Premises are a part (individually referred to as a "Mortgage"), and to all renewals, modifications, consolidations, replacements and extensions hereof. In furtherance of such subordination, Tenant shall execute any document that Landlord or Landlord's lender or ground lessor, if any, may reasonably request.

In the event of the sale or assignment of Landlord's interest in the Premises, Tenant shall attorn to and recognize such purchaser or assignee as Landlord under this Lease. In furtherance of such attornment, Tenant shall execute any document that Landlord or such purchaser or assignee may reasonably request.

Tenant agrees that, notwithstanding any provision hereof to the contrary, the terms of any Mortgage or security instrument shall govern with respect to the disposition of any insurance proceeds or eminent domain awards, and any obligations of Landlord to restore the Building in which the Premises are situated, insofar as they may apply to such mortgagee, shall be limited to insurance proceeds or eminent domain awards received by such mortgagee after the deduction of all costs and expenses incurred in obtaining such proceeds or awards.

Upon notification by Landlord of the name and address of any such mortgagee, Tenant hereby agrees to give to such mortgagee copies of all notices of Landlord default(s) under this Lease in the same manner as, and whenever, Tenant shall give any such notice of default to Landlord, and no such notice of default shall be deemed given to Landlord unless and until a copy of such notice shall have been so delivered to such mortgagee. The mortgagee shall have the right to remedy any Landlord default under this Lease, or to cause any default of Landlord under this Lease to be remedied, and for such purpose Tenant hereby grants the mortgagee such additional period of time as may be reasonable to enable mortgagee to remedy, or cause to be remedied, any such default in addition to the period given to Landlord for remedying, or causing to be remedied, any such default. Tenant shall accept performance by the mortgagee of any term, covenant, condition or agreement to be performed by Landlord under this Lease with the same force and effect as though performed by Landlord. No Landlord default under this Lease shall exist or shall be deemed to exist (i) as long as such mortgagee, in good faith, shall have commenced to cure such default

within the above-referenced time period and shall be prosecuting the same to completion with reasonable diligence, subject to force majeure, or (ii) if possession of the Premises is required in order to cure such default, or if such default is not susceptible of being cured by such mortgagee, as long as such mortgagee, in good faith, shall have notified Tenant that it intends to institute proceedings under its Mortgage or security documents, and, thereafter, as long as such proceedings shall have been instituted and shall be prosecuted with reasonable diligence. In the event of the termination of this Lease by reason of any default thereunder by Landlord, upon the mortgagee's written request, given within thirty (30) days after any such termination, Tenant, within fifteen (15) days after receipt of such request, shall execute and deliver to such mortgagee or its designee or nominee a new lease of the Premises for the remainder of the Lease Term upon all of the terms, covenants and conditions of this Lease.

29. ESTOPPEL CERTIFICATES. Tenant shall, upon not less than ten (10) days prior request by Landlord or any first mortgagee of Landlord, execute, acknowledge and deliver to Landlord or such mortgagee, as the case may be, a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications); that Landlord is not in default and has fully performed its obligations hereunder; and the dates to which the rent and any other charges have been paid in advance. Further, without limiting the foregoing and without the necessity of any additional documentation (unless Landlord or any mortgagee requests reaffirmation of the following by separate agreement which Tenant agrees to execute), for the benefit of each such mortgagee, Tenant agrees that, in the event that any such mortgagee succeeds to the interest of Landlord under this Lease, such mortgagee shall not: (A) be liable for any act or omission of Landlord or any prior landlord under this Lease; or (B) be subject to any defense, set-offs, counter-claims or offsets which Tenant may have against any prior landlord (including Landlord); or (C) be bound by any payment of Rent, which Tenant may have paid for more than one (1) month in advance of the due date hereunder to any prior landlord hereunder (including Landlord); or (D) be bound by any obligation to make any payment to Tenant which was required to be made prior to the time such mortgagee succeeds to Landlord's interest; or (E) be accountable for any monies deposited with any prior landlord (including Landlord) (including security deposits), except to the extent same are actually received by said mortgagee; or (F) be bound by any surrender, termination, amendment, restatement or modification of this Lease made without the consent of said mortgagee; or (G) otherwise have any liability, duty or obligation whatsoever under this Lease, or under any extension or renewal hereof, either by virtue of any assignment of leases or rents granted by Landlord to said mortgagee or the subsequent collection of rents thereunder, until said mortgagee, or its designee or nominee becomes the fee owner of the Property, and then only for such periods during which such mortgagee or its designee or nominee actually owns the Property.

30. QUIET ENJOYMENT. Landlord warrants that Tenant shall have quiet enjoyment of the Premises free from any eviction or interference by Landlord if Tenant pays the Rent and other charges provided herein, and otherwise fully and punctually performs the terms and conditions imposed on Tenant.

31. SIGNS. No signs of any kind or nature, symbol or identifying mark, including, but not limited to, any signs containing any trademark, service mark, trade name, logo or graphic design owned by or associated with any hospital, health care system, health care provider or other provider or entity licensed under Title 68 of Tennessee Code Annotated which is competitive with Baptist Memorial Hospital Memphis or any of its affiliates, shall be put, placed or otherwise displayed in or on the Building or the property on which the Building is located, on any suite plaques, or anywhere within the Premises, without prior written approval of Landlord, which approval may be withheld in Landlord's sole discretion. All signs and lettering shall conform in all respects to the sign and/or lettering standards established by Landlord. Landlord shall provide and install, at Tenant's cost, all letters, numerals or Tenant suite plaques at doors to the Premises. Landlord shall also include Tenant's name, as set forth on the first page of this Lease, on the Building directory. Any changes requested by Tenant to suite plaque or the Building directory shall be subject to the restrictions set forth in this paragraph and Landlord approval, which approval may be withheld in Landlord's sole discretion, and shall be provided and installed by Landlord, at Tenant's cost.

32. HOLDING OVER. In the event Tenant, or any party claiming under Tenant, retains possession of the Premises after the expiration or earlier termination of this Lease, such possession shall be an unlawful detainer, and no tenancy or interest shall result from such possession. Such occupants shall be subject to immediate eviction and removal, and Landlord, in addition to all other remedies available to it hereunder shall have the right to receive as liquidated damages for all the time Tenant shall so retain possession of the Premises or any part thereof, an amount equal to twice the Base Rent specified in this Lease, as applied to such period, together with all other payments required hereunder as Additional Rent, provided that Tenant shall nonetheless be a tenant at sufferance.

33. LANDLORD'S EXPENSES. In addition to other provisions herein, Tenant agrees and shall pay and/or reimburse Landlord's reasonable costs and expenses, including legal fees, incurred or resulting from and relating to: (a) requests by Tenant for approval or consent under this Lease; or (b) any circumstances or developments which give rise to Landlord's right of consent or approval; or (c) circumstances resulting from any action or inaction by Tenant contrary to the Lease provisions; or (d) a request for changes or determinations relating to the terms of this Lease, including, but not limited to: (i) the permitted use of the Premises, (ii) alterations and improvements to the Premises, (iii) subletting or assignment, or (iv) any other changes in the terms, conditions or provisions of this Lease. Such expenses and fees shall be paid by Tenant within thirty (30) days of the submission by Landlord of a statement for the same.

34. CONDITIONS PRECEDENT. Intentionally deleted.

35. FINANCIAL STATEMENTS. Intentionally Deleted.

36. GENERAL PROVISIONS. (i) The waiver by Landlord of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein. The acceptance of Rent hereunder shall not be construed to be a waiver of any breach by Tenant of any term, condition or covenant of this Lease; (ii) It is understood and agreed that the remedies herein given to Landlord shall be cumulative, and the exercise of any one remedy of Landlord shall not be to the exclusion of any other remedy; (iii) Subject to the provisions as to assignment, the covenants and conditions herein contained shall apply to and bind the heirs, successors, executors, administrators and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder; (iv) Time is of the essence of this Lease; (v) Landlord has made no representations or promises whatsoever with respect to the Premises, except those contained herein, and no other person, firm or corporation has at any time had any authority from Landlord to make any representations or promises on behalf of Landlord; (vi) the captions of paragraphs of this Lease are for convenience only, and do not in any way limit or amplify the terms and provisions of this Lease; (vii) If any term, covenant, condition or provision of this Lease is held by a court competent of jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated; and (viii) Landlord and Tenant represent and warrant to each other that the officer or person signing this Lease on its behalf is an authorized signatory and is authorized to legally bind such party to this Lease.

37. WAIVER OF TRIAL BY JURY. LANDLORD AND TENANT HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS LEASE OR THE OBLIGATIONS EVIDENCED HEREBY, OR ANY OTHER DOCUMENT OR INSTRUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT TO EACH OF LANDLORD AND TENANT IN ENTERING INTO THIS LEASE.

38. RIGHT OF TERMINATION. In the event of any legislative or regulatory change or determination, whether federal or state, that would cause or result in a significant risk to Hospital or to Landlord of any assessment, sanction, penalty or other significant adverse impact to Landlord or to Hospital as a result of this Lease or the continued performance of the parties of the obligations under this Lease, or should Landlord or Hospital be deemed for any reason in violation of any statute or regulation as a result of this

Lease, or if, in the reasonable opinion of Landlord's or the Hospital's tax counsel, this Lease is likely to have a material and adverse effect on the tax exempt status of Hospital or any bonds for which Hospital or its affiliates are responsible for repayment, then Landlord may terminate this Lease upon not less than thirty (30) days written notice to Tenant; provided, during said notice period after Tenant's receipt of said notice but prior to the effective date of termination, the parties shall use good faith efforts to renegotiate the terms of this Lease to eliminate such concern; provided, further, in such renegotiation efforts, the parties shall use good faith efforts to preserve the financial and economic terms and the purpose of this Lease. If the parties are unable to agree upon renegotiated terms within said notice period which eliminate such concern, then the Lease shall terminate upon the termination date specified in said written notice. It is expressly agreed that such right of termination shall not be exercised in any manner prohibited under the Medicare Anti-Kickback statute(s) or the Stark Act, or any regulations thereunder.

39. GUARANTY OF LEASE. Intentionally deleted.

40. SURRENDER OF PREMISES. Tenant shall, upon the expiration or earlier termination of the Lease Term, surrender all keys to the Premises to Landlord at the place then fixed for the payment of rent, inform Landlord of all combinations on locks, safes, and vaults, if any, in the Premises, and surrender the Premises to Landlord in as good condition as the Premises were in as of the Lease Term Commencement Date, ordinary wear and tear excepted. All alterations, additions, and improvements made to or fixtures or improvements placed in or upon the Premises by either party (excepting only moveable partitions, office furniture, trade fixtures, office equipment and personal property of Tenant) shall be deemed a part of the Building and the property of Landlord at the time they are placed in the Premises and, except as provided in the next grammatical sentence, such alterations, additions, improvements or fixtures shall remain in the Premises and be surrendered with the Premises to Landlord upon the expiration or earlier termination of this Lease. Upon Landlord's written request prior to the expiration or earlier termination of the Lease Term, Tenant shall remove alterations or additions that have been constructed and installed in the Premises at Tenant's request or for Tenant's benefit and return the Premises to its original condition as of the Effective Date, ordinary wear and tear excepted.

41. EFFECTIVE DATE. The "Effective Date" shall be the date upon which the last party signs this Lease.

42. RIGHT OF FIRST REFUSAL TO LEASE. If at anytime during the Lease Term, Landlord receives a bona fide offer from any third party for the lease of that certain space located on the third (3rd) floor of the Building, which space consists of approximately 2,009 rentable square feet and is more particularly depicted on Exhibit "A" (hereinafter referred to as the "Refusal Space"), then in any such event Landlord shall promptly deliver to Tenant, a written notice advising Tenant that Landlord has received this offer. This written notice will not include any of the financial terms of the offer from the proposed tenant. Tenant agrees that all information contained in this notice (including the identity of the proposed lessee) shall be maintained in the strictest confidence and shall not be disclosed to any person or entity other than Tenant's affiliates, employees, attorneys and accountants (each of whom shall be obligated to maintain the confidentiality of such information); provided however, Tenant may disclose such confidential information to other parties or entities if required by subpoena, court order or applicable law. Tenant may, within fifteen (15) days after receipt of such notice, elect to lease such portion of the Refusal Space which is subject to any offer as described above (which portion is hereinafter called the "Offer Property"), on the same terms and conditions as those set forth in this Lease, specifically including, but not limited to, the payment of the then current Rent due under this Lease. If Tenant agrees to lease the Refusal Space, the lease of the Refusal Space shall be co-terminus with the term of this Lease and contain annual rental adjustments on the same date and in the same amount as those set forth in this Lease. The lease of the Refusal Space by Tenant would include a tenant improvement allowance per usable square foot equal to the amount paid under this Lease prorated for the remainder of the Lease Term. The failure of Tenant to exercise this right of first refusal with respect to any proposed lease shall result in a termination of the right of first refusal, but only with respect to the Offer Property. In the event that any proposed lease as to which Tenant did not exercise its right of first refusal, is not executed by Landlord within one hundred eighty (180) days after notice thereof was given to Tenant then the Offer Property must be re-offered to Tenant in the same manner provided above and Tenant shall have fifteen (15) days from receipt of

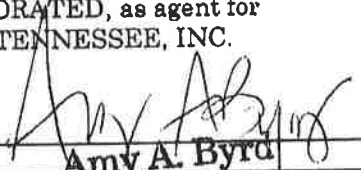
Landlord's notification within which to exercise the right of first refusal. In the event Tenant fails to exercise its first right of refusal as to the Offer Property, at Landlord's request, Tenant shall execute a written acknowledgment prepared by Landlord certifying that Tenant has elected not to exercise its right of first refusal. Tenant shall not have the right to assign its right of first refusal to any permitted sublessee of the Premises or any portion thereof or to any permitted assignee of this Lease nor may any such sublessee or assignee exercise or enjoy the benefit of such right of first refusal. Notwithstanding anything to the contrary herein, the right of first refusal to lease granted to Tenant shall automatically terminate upon the expiration or earlier termination of this Lease.

[Signatures on following page]

THE PARTIES HERETO have executed this Lease in duplicate as of the day and year written below such parties' signatures.

LANDLORD:

HEALTHCARE REALTY SERVICES
INCORPORATED, as agent for
HRT OF TENNESSEE, INC.

By: 
Name: Amy A. Byrd
Title: Vice President
Date of Signature: 2/24/12

TENANT:

BAPTIST MEMORIAL HOSPITAL - TIPTON

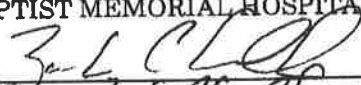
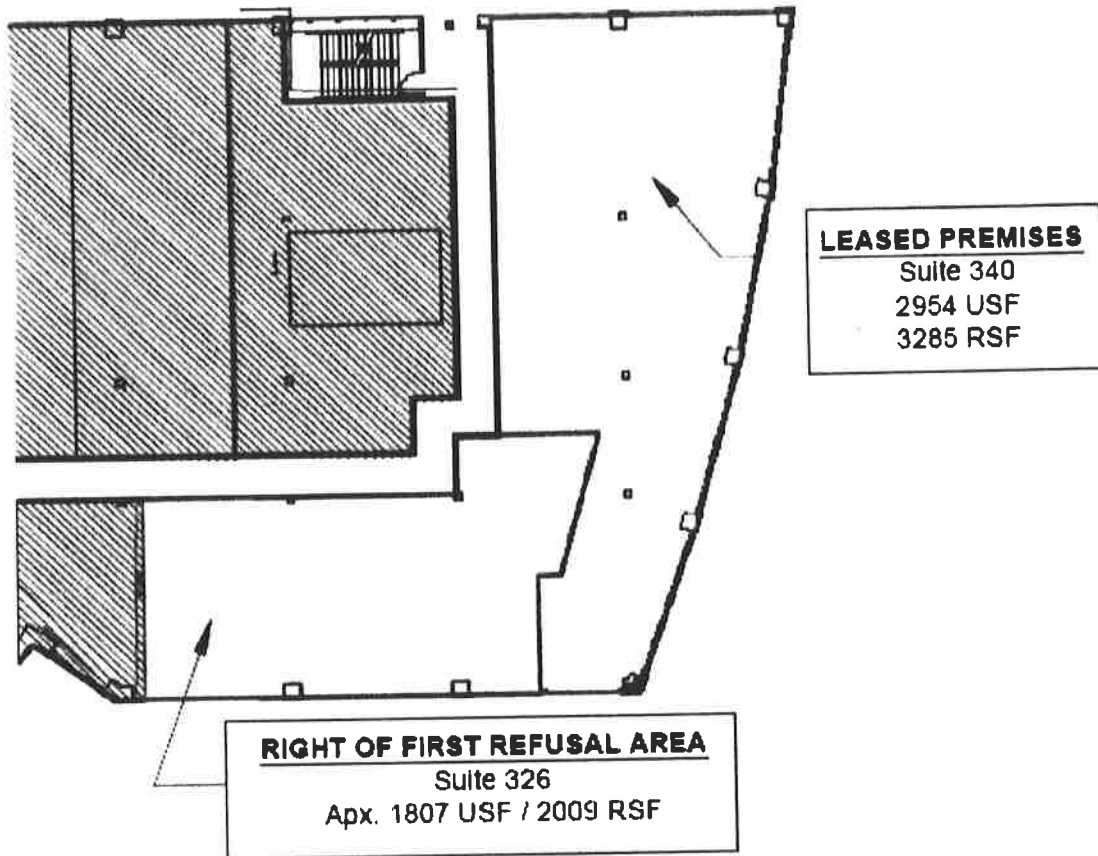
By: 
Name: Carl L. Chandler
Title: VP - Tipton Manager
Date of Signature: 2/24/12

Exhibit "A"

Floor Plan of Premises



Not to Scale

D. Roberson 2.7.12



Exhibit "B"

Operating Expenses

Operating Expenses may include, without limitation:

(i) all taxes, assessments, excises, tax levies, fees and all governmental charges, whether general or special of every character in respect of the Property or rental payments from tenants which may be assessed or be a lien upon Landlord's interest in the Property, the Property or any rent therefrom, or any occupancy, operation, use or possession of, sales from or activity conducted on or in connection with the Property; costs and expenses of contesting the validity or amount of such taxes, assessments, fees and charges; insurance premiums; water, sewer, electrical and other utility charges; service and other charges incurred in the operation and maintenance of the Property including the elevators and the heating, ventilation and air-conditioning system; cleaning and other janitorial services; costs of all tools, supplies and materials; costs of repair and general maintenance, including without limitation, any reasonable depreciation charges applicable to all equipment used in repairing and maintaining the Property; all rental payments, assessments, dues, costs and expenses related to any ground lease, property association or easement agreement; landscape maintenance costs; security services; data processing services; costs of alarm services, fire protection, sprinklers and window cleaning; maintenance and operation of parking facilities; license, permit and inspection fees; management fees; the office rent and commercially reasonable salaries and compensation of all employees engaged in the operation, maintenance and security of the Property including taxes, insurance and benefits (including pension, retirement and fringe benefits) relating thereto; trash removal; garage maintenance and operating costs; all damages, penalties, costs and expenses (including without limitation, attorneys' fees and expenses which are reasonable and necessary) incurred by Landlord by reason of any accident, injury to or death of persons or loss of property occurring on or about the Property or adjoining sidewalks in excess of applicable insurance policies of Landlord; legal fees and accounting costs, including costs of audits of the Operating Expenses; commercially reasonable reserves deemed necessary by Landlord for operation of the Property in a first class manner; costs of complying with all legal requirements applicable to the Property (including the cost of any capital improvements made to the Building by Landlord that are required under any governmental law or regulation not applicable to the Building or not in effect at the time it was constructed); and, in general, all other costs and expenses which would generally be regarded as operating and maintenance costs and expenses, including those which would normally be amortized over a period not to exceed five (5) years; and

(ii) the cost of any capital improvements made to the Building by Landlord that reduce Operating Expenses, such cost to be amortized over such reasonable period as Landlord shall determine with a return on capital at the then current interest rate on the unamortized balance or at such higher interest rate as may have been paid by Landlord on funds borrowed for the purpose of constructing such capital improvements. However, the portion of any increase in annual Operating Expenses shall never exceed the amount of reduction in the annual Operating Expenses attributable to such improvements.

Operating Expenses shall not include: (i) Federal and State taxes imposed upon or measured by the gross receipts or income of Landlord (unless a future change in the method of taxation causes any franchise, gross receipts, income, profit or other tax to be levied against Landlord in substitution in whole or in part for or in lieu of or in addition to any tax included as an Operating Expense hereunder, and, in such event, any such tax shall (with appropriate adjustments where necessary) be deemed to be Operating Expenses for the purposes hereof); (ii) payments made by tenants of the Building, either to third parties or to Landlord, under agreements for direct reimbursement for services (e.g., separately metered utilities, separate contracted janitorial services, property taxes directly reimbursed to Landlord, sales taxes on Rent (as defined in Section 5 of the Lease) paid directly by any tenant, etc.); and (iii) the cost of repairs, restoration or other work occasioned by fire, windstorm or other casualty, but only to the extent same are

paid for with the proceeds of insurance; services reimbursed to Landlord by tenants; capital acquisitions; penalties and legal expenses incurred by Landlord due to Landlord's violations of governmental laws; expenses incurred for the renovation of space for new tenants (except Building standard repairs or construction); depreciation allowance; or interest and principal payments on mortgages and other non-operating debts of Landlord.

Exhibit "C"

Work Letter Agreement

1. General Provisions

1.1 Landlord shall provide Tenant an improvement allowance (the "Allowance") of Fifteen Dollars (\$15.00) per usable square foot for work in preparing the Premises for Tenant's use ("Tenant's Construction Work"). Once the actual number of usable square feet in the Premises is determined, Landlord and Tenant shall memorialize the final amount of the Allowance in the Lease Term Commencement Date letter attached as Exhibit "D". The Allowance shall be available solely for the construction costs of leasehold improvements (the "Construction Costs") and no portion thereof shall be used for furniture, personal property, working capital, free rent or other such purposes. Notwithstanding anything herein to the contrary, Landlord makes no representation or warranty that the Allowance is sufficient to pay the full amount of the Construction Costs. Notwithstanding anything to the contrary herein, the Allowance must be used by Tenant not later than the date that is six (6) months after the Effective Date of the Lease. Any portion of the Allowance not used by Tenant by such date shall be deemed forfeited and waived.

1.2 If the Construction Costs of Tenant's Construction Work exceeds the Allowance, Tenant shall pay the excess amount prior to taking occupancy of the Premises. Tenant agrees that in the event Tenant defaults in the payment of the costs of Tenant's Construction Work in excess of the Allowance, Landlord (in addition to all other remedies) has the same rights as in the event of default of payment of Rent under the Lease.

1.3 If Tenant's Construction Work has not been substantially completed (as defined in Section 6(d) of the Lease) by April 1, 2012 due to omission, delay or default by Tenant or anyone acting under or for Tenant, including but not limited to (a) Tenant's failure to approve plans, or (b) changes to the space plan and working drawings requested by Tenant prior to or after the commencement of Tenant's Construction Work, the obligations of Tenant under this Lease (including, without limitation, the obligation to pay Rent) shall nonetheless commence as of April 1, 2012.

1.4 If, by the date specified in Section 1.3 of this Work Letter, the Premises are not substantially completed due to a delay caused by Landlord, then as Tenant's sole remedy for the delay in Tenant's occupancy of the Premises, the Lease Term Commencement Date shall be delayed and the Rent herein provided shall not commence until the earlier of (a) the date on which Tenant opens the Premises for business, or (b) the date on which Tenant's Construction Work is "substantially completed" (as defined in Section 6(d) of the Lease).

1.5 Under no circumstances whatsoever will Tenant or Tenant's authorized representatives (including Tenant's Design Consultants) ever alter or modify or in any manner disturb any system or installation of the Building, including, but not limited to, fire or smoke rated partitions, Central plumbing systems, Central electrical systems, Central heating, ventilating and air conditioning systems, Central fire protection and fire alert systems, Central building maintenance systems, Central structural systems, elevators and anything located within the Central core of the Building. Only with Landlord's express written permission and under the direct supervision of Landlord or Landlord's Contractor shall Tenant or Tenant's authorized representative alter, modify or in any manner disturb any Branch of any such Central system or installation of the Building which is located within the Premises, including, but not limited to Branch plumbing system, Branch electrical system, Branch heating, ventilating and air conditioning system, and Branch fire protection and alert system. For purposes of this Section 1.5, the term "Central" shall be defined as that portion of the Building system or component which is within the core and/or common to and/or serves or exists for the benefit of other tenants in the Building, and shall include but not be limited to main fire loops on each floor of the Building and duct work to the VAV box. For purposes of this Section 1.5, the term "Branch" shall be defined as that portion of any Building system or component which serves to connect or extend Central systems into the Premises.

1.6 All design, construction and installation of Tenant's Construction Work shall conform to the requirements of applicable building, plumbing, electrical and fire codes and the requirements of any authority having jurisdiction over or with respect to such work, as such codes and requirements may from time to time be amended or supplemented. Furthermore, all such design, construction and installation of Tenant's Construction Work is subject to the prior written approval of Landlord.

1.7 Tenant agrees to use, as a part of Tenant's Construction Work, Building standard materials including, but not limited to, Building standard corridor doors, VAV boxes, hardware, lights or other materials unless other corridor doors, VAV boxes, hardware or lights are requested by Tenant and approved in writing by Landlord.

1.8 Tenant acknowledges that Landlord has entered into this Lease in reliance on the diligent and good faith cooperation of Tenant in the timely completion of Tenant's Construction Work, so as to ensure that the Premises are ready for Tenant's use when anticipated by Tenant. Tenant hereby covenants and agrees that it will cooperate with Landlord, diligently and in good faith, to complete the Tenant work process in a timely manner in accordance with the schedules established by Landlord.

1.9 Tenant understands dimensions to be shown in the plans and specifications for the Building, and in any leasing brochure, are approximate and may change due to field conditions.

2. Preliminary Design Consultant Decisions

2.1 Tenant shall be required to use the services of Landlord's architect, engineers and interior designers (collectively, "Landlord's Design Consultants") in designing Tenant's space plan for the Premises.

3. Preparation of Construction Documents

3.1 Tenant shall cooperate with Landlord in developing plans and specifications for Tenant's Construction Work, which plans and specifications shall be prepared by Landlord's Design Consultants. Tenant agrees to make and communicate design decisions to Landlord's architect in a timely fashion. The plans and specifications for Tenant's Construction Work shall be subject to the prior approval of Landlord (which approval shall not be unreasonably delayed or withheld). The cost of the services provided by Landlord's Design Consultants shall be paid for by Tenant.

3.2 Landlord's architect shall submit Construction Documents for Landlord's approval (if Construction Documents are required for Tenant's Construction Work). Landlord shall have fourteen (14) days to approve or deliver written comments regarding the Construction Documents to Tenant (if Construction Documents are required for Tenant's Construction Work). The "Construction Documents" shall set forth in detail the requirements for construction of the Premises and shall include drawings and specifications that establish in detail the quality of materials and systems required for the Premises. The Construction Documents shall comply with local building codes, regulations and laws and include, without limitation, architectural, structural (if required), mechanical (heating, ventilating and air conditioning), fire protection, plumbing and electrical drawings and specifications. The Construction Documents shall be provided to Landlord in the following formats: two sets of drawings and one CD-ROM disk containing the drawings in the CAD format approved by Landlord.

3.3 With respect to interior design services, Landlord and Tenant agree that the cost of interior design services provided by Landlord's Design Consultants shall be paid by Tenant. If Tenant hires its own interior designer, such services shall be paid by Tenant at its sole cost. Tenant shall be responsible to coordinate the efforts of Tenant's own interior designer, if applicable, with Landlord's architect and the project contractor to insure that no delays are caused to either the planning or construction of Tenant's Construction Work.

4. Completion of Premises

4.1 Tenant shall be required to use the services of Landlord's contractor ("Landlord's Contractor") in constructing the improvements in the Premises. All work involved in completion of Tenant's Construction Work shall be carried out by Landlord's Contractor, at Tenant's sole expense (subject to Landlord's obligation to provide the Allowance), under the sole direction of Landlord. Tenant shall cooperate with Landlord and Landlord's Contractor to promote the efficient and expeditious completion of such work.

4.2. Within thirty (30) days after receipt of the approved Construction Documents (if Construction Documents are required for Tenant's Construction Work), Landlord will submit to Tenant written estimates of the cost of Tenant's Construction Work. Tenant shall accept or reject in writing such cost estimates within five (5) days. If Tenant rejects or fails to respond to such cost estimates within such five (5) day period, Landlord shall not carry out any of Tenant's Construction Work set forth in the Construction Documents until approval thereof is received. In the event that Tenant rejects or fails to respond to such cost estimates within such five (5) day period, Tenant shall have until the fifth (5th) day following such five (5) day period in which to cause Tenant's or Landlord's architect, as the case may be (the "Project Architect"), at Tenant's sole cost, to submit revised Final Space Plan and Construction Documents, if necessary. Upon receipt of the revised Design and Construction Documents, Landlord shall have fourteen (14) days to obtain new bids from Landlord's Contractor. Tenant agrees that Tenant is responsible for any and all reasonable increases in the costs of Tenant's Construction Work resulting from governmental requirements in connection with Tenant's Construction Work, whether such increases occur before the cost estimates are initially submitted to Tenant, or after all final bids have been taken and such cost estimates have been approved by Tenant.

4.3 During the construction work process, if there are any changes in Tenant's Construction Work requested by or on behalf of Tenant, from the work as reflected in the Construction Documents, each such change must receive the prior written approval of Landlord and must be paid for by Tenant. In such event, upon substantial completion of the Premises, Tenant shall, at its sole cost and expense, cause the Project Architect to prepare and deliver to Landlord "as-built" drawings of Tenant's Construction Work reflecting the changes made to the previously approved Construction Documents.

4.4 The Allowance shall be disbursed by Landlord in accordance with the draw requirements of Landlord or Landlord's construction lender.

4.5 Tenant acknowledges and agrees that Landlord reserves the right, without Tenant's consent and without liability to Tenant, to make any modifications, changes or omissions to the Construction Documents, as long as same does not substantially and adversely affect Tenant. Tenant further acknowledges and agrees that Landlord reserves the right, without Tenant's consent and without liability to Tenant, to make any modification, changes or omissions to the Construction Documents, if same are required by any governmental or quasi-governmental authority or utility. Tenant also acknowledges and agrees that Landlord may, regarding the Premises, substitute materials, equipment, cabinets, fixtures, appliances, and/or floor coverings with items of similar or greater quality, utility, value, and/or color without Tenant's consent and without liability to Tenant. Tenant understands the location of telephone, electric and other utility outlets are subject to change. Tenant understands materials such as brick, wood, wood grain, carpeting, paint, cabinets, cultured marble, tile, mica, and the like, are subject to shading and gradation and may vary from samples, models or color charts, and from piece to piece, and Landlord will not be liable for such variation. Tenant acknowledges and agrees that Landlord will have complete discretion in "finishing details."

EXHIBIT "D"

Commencement Date Letter

[Landlord's Letterhead]

Re: Lease Agreement, dated _____, 2____, between _____
("Landlord") and _____ ("Tenant")

Dear _____:

The purpose of this letter is to confirm the following:

(i) The Lease Term Commencement Date for the referenced Lease Agreement is _____.

(ii) The Lease Term expires on _____.

(iii) The Premises consist of _____ usable square feet and _____ rentable square feet. The total rentable square feet in the Building is deemed to be 106,134 rentable square feet, and the Premises is deemed to be ____% thereof ("Tenant's Proportionate Share").

(iv) Section 3 of the Lease is amended to delete the rental schedule in the Lease and replace it with the following revised rental schedule:

Lease Year	Annual Base Rent Per RSF	Annual Base Rent	Monthly Base Rent
_____ through _____	\$16.00	\$ _____	\$ _____
_____ through _____	\$16.48	\$ _____	\$ _____
_____ through _____	\$16.97	\$ _____	\$ _____
_____ through _____	\$17.48	\$ _____	\$ _____
_____ through _____	\$18.00	\$ _____	\$ _____

(v) The total Allowance is agreed to be \$ _____.

Please acknowledge your agreement with the provisions of this letter by signing the extra copy of this letter and returning the same to the undersigned.

Sincerely yours,

By: _____

Acknowledged and Agreed to By:

TENANT:

By: _____

Print Name: _____

Print Title: _____

Date: _____

Exhibit "E"

Prohibited Uses

Without the prior written consent of Landlord and the Hospital, Tenant shall not use the Premises to provide a "Commercial Ancillary Service." For purposes of this Lease, the term "Commercial Ancillary Service" shall mean:

Any service provided by any person on a basis competitive with Baptist Memorial Hospital Memphis even if Baptist Memorial Hospital Memphis may not then be providing such service, including, but not limited to any inpatient or outpatient health care facility, including, but not limited to, any hospital, any psychiatric, chemical dependency, skilled nursing or end-stage renal disease facility, any hemodialysis unit, any intermediate nursing or health care facility or any intermediate care facility for the mentally infirm, any home health agency, or any ambulatory surgical facility or diagnostic and/or therapeutic facility, laboratory, x-ray, radiological imaging, physical therapy, pulmonary or cardiological testing services, pharmacy services to persons who are not otherwise patients of Tenant or any medical services or medical procedures which are considered by the Hospital to violate its religious, moral and/or ethical tenets and/or principles. Additionally, Tenant agrees that at no time will Tenant or any person or entity acting through or on behalf of Tenant provide or allow any diagnostic, therapeutic or other clinical service to be provided on the Premises that can be billed pursuant to 42 C.F.R. §413.65(d) et seq., or any other or subsequent similar laws, rules or regulations relative to "provider based billing". Notwithstanding the foregoing to the contrary, Landlord and/or the Hospital shall have the right to review and confirm that no service being provided within the Premises constitutes a Commercial Ancillary Service.

EXHIBIT "F"

Rules and Regulations

1. No animals shall be kept in or about the Premises.
2. Tenant shall not use the water closets and other plumbing fixtures for any purposes other than those for which they were constructed, and shall not place any debris, rubbish, rags or other substances therein. All damage resulting from any misuse of the fixtures shall be borne by the Tenant whose servants, employees, agents, customers, contractors, subtenants, assignees, patients, invitees, or licensees shall have caused the same.
3. Tenant shall not place any furniture, equipment, records, trash or other objectionable material in the common areas other than in an appropriate refuse container.
4. Tenant or his employees shall not make or commit any indecent or improper acts while on the property or make any unseemly or disturbing noises or disturb or interfere with neighboring occupants of the Building or the Premises or those having business with them, whether by use of any musical instrument, radio, loud speaker, singing, or in any other way. Tenant or his employees shall not throw anything out of the doors or windows of the Premises.
5. The Premises shall not be used for the sale of merchandise in the ordinary course of business, or for the sale at auction of merchandise, goods or property of any kind to persons who are not patients of the tenant.
6. Landlord does not assume any responsibility, and shall not be held liable, for any damage or loss to any automobile or personal property in the parking lot or for any injury sustained by any person in the parking lot.
7. The entry, corridors, and stairways shall not be obstructed by Tenant, nor used by Tenant for any purpose other than ingress or egress to and from Tenant's offices, nor must employees of Tenant loiter or congregate therein. The floors and windows that reflect or admit light into passageways in common areas shall not be covered or obstructed by Tenant.
8. Landlord reserves the right to make such other and further rules and regulations as permitted by the Lease.
9. Tenant shall not, without the written consent of Landlord, place a load upon any floor of the Building exceeding 80 pounds per square foot. Additional air conditioning, electrical or other facilities required in connection with the installation and operation of any computers or other large business equipment shall be made at Tenant's expense and only after obtaining Landlord's written consent. Tenant shall pay for the cost of electrical current required to operate computers and other large business equipment and for the cost of additional air conditioning necessitated by such equipment.
10. Tenant will not permit or suffer any signs, advertisement or notices to be displayed, inscribed upon or affixed on any part of the outside of the Premises or on windows or doors or on the adjacent street, except that directory boards and Premises identification signs shall be provided by Landlord. Signage on entry doors will be provided by Landlord consistent with signage standards within the Building.
11. In the event that Tenant should from time to time, or at any time, require heating or air-conditioning in the Premises after the hours specified in the Lease, Landlord agrees to provide the same to Tenant provided Tenant shall give Landlord at least 12 hours advanced notice of the need for after-hours heating or cooling. The charge for such after-hours heating and cooling shall be at a rate per hour determined by Landlord from time to time. Landlord may either publish such rates or will provide

the same to Tenant upon request. All charges for after-hours heating and cooling requested by Tenant shall be additional rent under this Lease and due and payable with the next monthly installment of Rent.

12. Neither Tenant nor its employees, patients, contractors, and/or other licensees or invitees, shall obstruct, loiter, or congregate in any common area, including, without limitation, any common area corridors, common area hallways, common area stairways, and common area restrooms. Tenant shall be responsible for enforcing compliance with this rule with respect to its employees, patients, contractors, and/or other licensees or invitees.

13. Neither Tenant nor its employees, patients, contractors, and/or other licensees or invitees, shall otherwise use the common area corridors, common area hallways, or common area stairways for any reason other than for ingress and egress to and from Tenant's Premises. Tenant shall be responsible for enforcing compliance with this rule with respect to its employees, patients, contractors, and/or other licensees or invitees.

EXHIBIT "G"

GUARANTY OF LEASE

[Intentionally deleted]

November 8, 2012

Ms. Laura Potts
 BMH Tipton – Center for Cancer Research
 80 Humphreys Center Drive, Suite 340
 Memphis, TN 38120

RE: *Letter of Intent for 80 Humphreys, Suite 340 to expand into additional space currently known as Suite 326 & 320 – Referencing the Lease for 80 Humphreys Ste 340 Executed February 29, 2012*

Dear Laura:

Healthcare Realty Services Incorporated, on behalf of HRT of Tennessee, Inc., a Tennessee corporation ("Landlord"), is pleased to present the following terms and conditions for Baptist Memorial Hospital - Tipton ("Tenant") to lease additional medical office space in Suite 340 to be created from existing Suites 326 and 320 at 80 Humphreys Boulevard, Memphis, Tennessee ("Building").

Building: 80 Humphreys Professional Office Building
 Baptist – Memphis Campus
 80 Humphreys Boulevard
 Memphis, Tennessee 38120

Premises: The current Suite 340 premises contain approximately 2,954 usable¹ square feet and 3,285 rentable² square feet, located on the third floor of the Building as shown in the attached floor plan. *Expansion Area 1* will increase the premises by an additional 1,807 usable square feet and 2,009 rentable square feet (currently known as Suite 326). *Expansion Area 2* is an additional 3,910 usable square feet and 4,348 rentable square feet known as Suite 320 which will not be available for lease until May 2013. This will bring the total premises area to 8,671 usable square feet and 9,642 rentable square feet. Final Square Footage is to be determined by Landlord's architect based on the space to be demised for Tenant's needs.

Commencement Date: The earlier of: (i) the date on which the Tenant occupies the Premises; or (ii) the date improvements have been deemed to be "substantially completed" as determined by Landlord's architect, estimated to be June 1, 2013.

Lease Term: 4 years, to be coterminous with the original lease terms for Suite 340.

¹ The actual occupiable area of Tenant's suite

² Tenant's usable square footage plus its proportionate share of the common areas in the Building

Renewal Option: Landlord shall provide Tenant with an option to renew this lease for a five year term at fair market rate at the end of the initial lease term.

Security Deposit: N/A.

Financial Statements: Waived.

Leasing Brokerage: Tenant acknowledges there is no procuring broker.

Base Rent: *Expansion Area 1* - Based on the remaining Lease Term, for the Original Premises, and an additional 2,009 rentable square feet, the initial combined Annual Base Rent shall be \$16.00 per rentable square foot, with increases as set forth below. The Annual Rent on a Net basis shall be payable in monthly installments as follows:

<u>LEASE PERIOD</u>	<u>RATE PER RSF</u>	<u>MONTHLY RATE</u>	<u>Estimated OpEx</u>	<u>Estimated Monthly Rent</u>
Remaining				
Year 1	\$ 16.00	\$ 7,058.67	\$ 4,632.25	\$ 11,690.92
Year 2	\$ 16.48	\$ 7,270.43	\$ 4,773.42	\$ 12,043.85
Year 3	\$ 16.97	\$ 7,486.60	\$ 4,914.60	\$ 12,401.20
Year 4	\$ 17.48	\$ 7,711.59	\$ 5,060.18	\$ 12,771.78
Year 5	\$ 18.00	\$ 7,941.00	\$ 5,214.59	\$ 13,155.59

Expansion Area 2 - Based on the remaining 4 years of the Lease Term for the Original Premises and Expansion Area 1, plus an additional 4,348 rentable square feet, the initial combined Annual Base Rent shall be \$16.48 per rentable square foot, with increases as set forth below. The Annual Rent on a Net basis shall be payable in monthly installments as follows:

<u>LEASE PERIOD</u>	<u>RATE PER RSF</u>	<u>MONTHLY RATE</u>	<u>Estimated OpEx</u>	<u>Estimated Monthly Rent</u>
Year 2	\$ 16.48	\$ 13,241.68	\$ 8,693.87	\$ 21,935.55
Year 3	\$ 16.97	\$ 13,635.40	\$ 8,950.99	\$ 22,586.39
Year 4	\$ 17.48	\$ 14,045.18	\$ 9,216.15	\$ 23,261.33
Year 5	\$ 18.00	\$ 14,463.00	\$ 9,497.37	\$ 23,960.37

Operating Expenses: Tenant shall be responsible for its pro-rata share of Operating Expenses (including real property taxes). Operating Expenses shall include, but are not limited to, Landlord's costs of maintaining the Premises and common areas of the Building, taxes, insurance, janitorial services and utilities. Initial Operating Expenses are *estimated* to be \$8.00 per rentable square foot.

Improvement
Allowance:

Expansion Area 1 - Based on a the remaining Lease Term for 1,807 usable square feet, Landlord shall provide Tenant with a Tenant Improvement Allowance ("TIA") not to exceed \$21,684.00 (\$12.00 per usable square foot of the Premises) for the design and construction of tenant improvements to the Premises.

Expansion Area 2 - Based on a 4 year Lease Term for 3,910 usable square feet, Landlord shall provide Tenant with a Tenant Improvement Allowance ("TIA") not to exceed \$39,100.00 (\$10.00 per usable square foot of the Premises) for the design and construction of tenant improvements to the Premises.

Tenant Improvements include monies allocated for architectural, electrical, and mechanical working drawings, and Contractor's overhead/profit. Tenant agrees that any improvement costs which exceed Landlord's TIA will be the sole responsibility of Tenant.

Permitted Use:

Operating and maintaining administrative and research space in support of Tenant's oncology practice.

Design:

N/A.

Construction Schedule:

The Lease Agreement will contain mutually satisfactory language regarding schedules, delivery date and approvals.

Expiration:

The terms contained in this Letter of Intent will expire at 5:00 p.m. (CST) on Friday, March 15, 2013.

Lease Execution:

Tenant and Landlord agree to work in good faith towards the execution of a mutually agreed upon Lease Agreement, based upon the business terms described herein, and in the spirit of cooperation, will agree to execute the Lease Agreement within thirty (30) days of the executed Letter of Intent.

80 Humphreys, Suite 340 Letter of Intent
Expansion into Ste 320 Area
BMH - Tipton (Cancer Research)
November 8, 2012
Page 4 of 5

This Letter of Intent shall serve as the basis for negotiation and execution of a mutually acceptable Lease Agreement. If this Letter of Intent is acceptable, please sign where designated below and return to our office prior to the date of expiration. Facsimile to 901-747-0350 followed by hard copy will also be acceptable. Upon receipt, Landlord will proceed to prepare a Lease Agreement for your review.

Should you have any questions, please do not hesitate to contact me at 901-747-1700 or cjude@healthcarerealty.com.

Sincerely,

Healthcare Realty Services, Incorporated, on behalf of HRT of
Tennessee, Inc., a Tennessee corporation



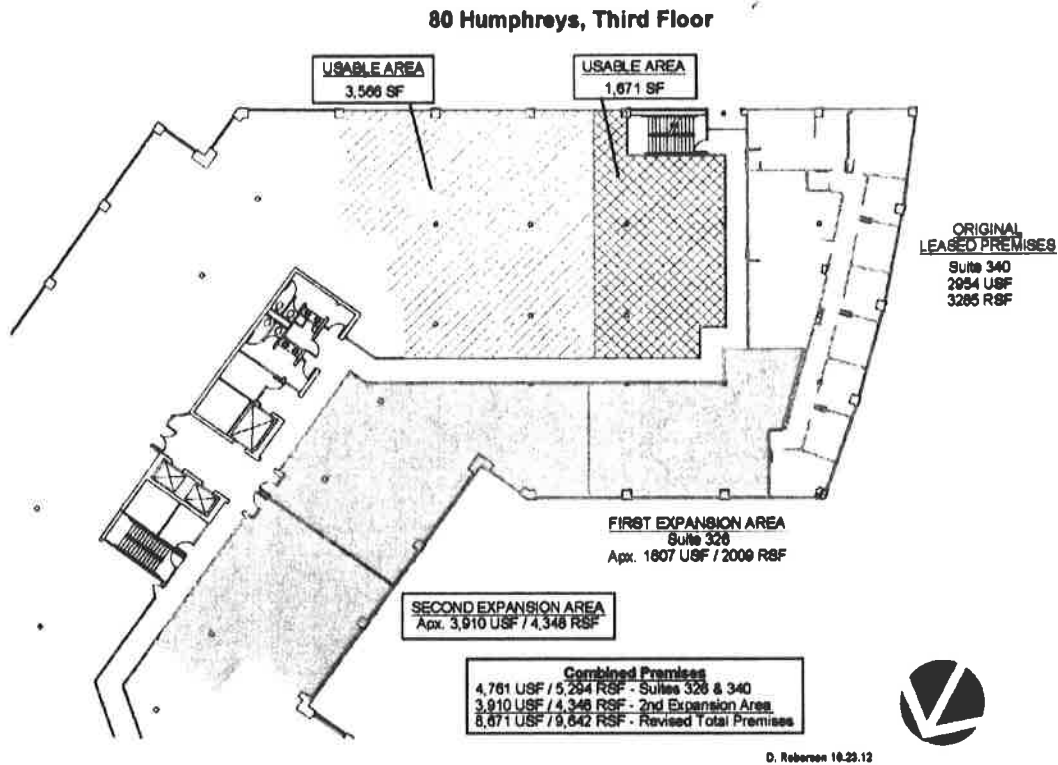
Carma Jude
Leasing Manager

ACCEPTED BY:
Baptist Memorial Hospital - Tipton

Signature

Date

Printed Name



HEALTHCARE REALTY

6029 Walnut Grove Road, Suite 400
Memphis, Tennessee 38120
Tel: 901.747.0100 • Fax: 901.747.0150
www.healthcare-realty.com

November 7, 2012

BMH-Tipton
Multi-Disciplinary Clinic
Attn: Laura Potts
80 Humphreys Center Drive, Suite 340
Memphis, TN 38120

RE: 6029 Walnut Grove Road
Memphis, TN 38120

Dear Ms. Potts:

Healthcare Realty Services Incorporated, on behalf of HRT of Tennessee, Inc., a Tennessee corporation ("Landlord"), is pleased to present the following terms and conditions for BMH-Tipton ("Tenant") to lease medical office space at 6029 Walnut Grove Road, Memphis, TN 38120 ("Building").

Building: Baptist East Professional Office Building
Baptist Memorial Hospital – Memphis Campus
6029 Walnut Grove Road
Memphis, TN 38120

Premises: Suite 305, containing approximately 3,991 usable square feet¹ (USF) and 4,550 rentable square feet² (RSF), located on the third level of the Building. The final Area of Premises to be determined during space planning.

Commencement Date: The earlier of: (i) the date on which the Tenant occupies the Premises; or (ii) the date improvements have been deemed to be "substantially completed" as determined by Landlord's architect, estimated to be July 1, 2013.

Lease Term: Five (5) years

Base Rent: The Annual Base Rent on a Net basis shall be payable in monthly installments as follows:

<u>Lease Period</u>	<u>Rate Per RSF</u>	<u>MONTHLY Base Rental Per RSF</u>	<u>Estimated OpEx</u>	<u>Estimated Total Monthly Rent</u>
Year 1	\$15.75	\$5,971.88	\$3,033.33	\$9,005.21
Year 2	\$16.22	\$6,150.08	\$3,124.33	\$9,274.42
Year 3	\$16.71	\$6,335.88	\$3,218.06	\$9,553.94
Year 4	\$17.21	\$6,525.46	\$3,314.61	\$9,840.06
Year 5	\$17.73	\$6,722.63	\$3,414.04	\$10,136.67

¹ The actual occupiable area of Tenant's suite

² Tenant's usable square footage plus its proportionate share of the common areas in the Building

<u>Operating Expenses:</u>	Tenant shall be responsible for its pro-rata share of Operating Expenses (including real property taxes). Operating Expenses shall include, but are not limited to, Landlord's costs of maintaining the Premises and common areas of the Building, taxes, insurance, janitorial services and utilities. <u>Estimated</u> Operating Expenses for 2013 are \$8.00 per RSF.
<u>Renewal Option:</u>	Landlord shall provide Tenant with an option to renew this lease for a five year term at fair market rate at the end of the initial lease term.
<u>Tenant Allowance:</u>	Landlord shall provide Tenant with a Tenant Improvement Allowance ("TIA") not to exceed \$159,640.00 (\$40.00 per usable square foot of the Premises) for the design and construction of tenant improvements to the Premises. Tenant Improvements include monies allocated for architectural, electrical, and mechanical working drawings, and Contractor's overhead/profit. Tenant agrees that any improvement costs which exceed Landlord's TIA will be the sole responsibility of Tenant.
<u>Security Deposit:</u>	Waived
<u>Financial Statements:</u>	N/A
<u>Leasing Brokerage:</u>	Tenant acknowledges there is no procuring broker.
<u>Permitted Use:</u>	Operating and maintaining a physician's office for examining and treating patients.
<u>Construction Schedule:</u>	Based upon the specialized nature of Tenant's suite design and construction requirements, the Lease Agreement will contain mutually satisfactory language regarding schedules, delivery date and approvals.
<u>Expiration:</u>	The terms contained in this Letter of Intent shall expire at 5:00 p.m. (CST) on Friday, March, 15, 2013.
<u>Lease Execution:</u>	Tenant and Landlord agree to work in good faith towards the execution of a mutually agreed upon Lease Agreement, based upon the business terms described herein, and in the spirit of cooperation, will agree to execute the Lease Agreement within thirty (30) days of the executed Letter of Intent.

This Letter of Intent is intended to set forth the intention and understanding of the parties with respect to the matters specified herein, and the parties agree to work in good faith to memorialize such intentions and understanding, as well as other provisions contained in Landlord's lease document.

Should this Letter of Intent be acceptable, please sign where designated below and return it to me prior to the date of expiration. Facsimile followed by hard copy will also be acceptable. Upon receipt, Landlord will proceed to prepare a Lease Agreement for your review.

A large, stylized handwritten 'X' mark, likely a signature or initials, located in the bottom left corner of the page.

Multi-D Clinic
LOI for 6029 Walnut Grove Road
November 7, 2012
Page 3 of 4

Should you have any questions, please do not hesitate to contact me at 901-747-1700 or cjude@healthcarerealty.com.

Sincerely,

HEALTHCARE REALTY SERVICES INCORPORATED



Carma C. Jude, CCIM
Leasing Manager

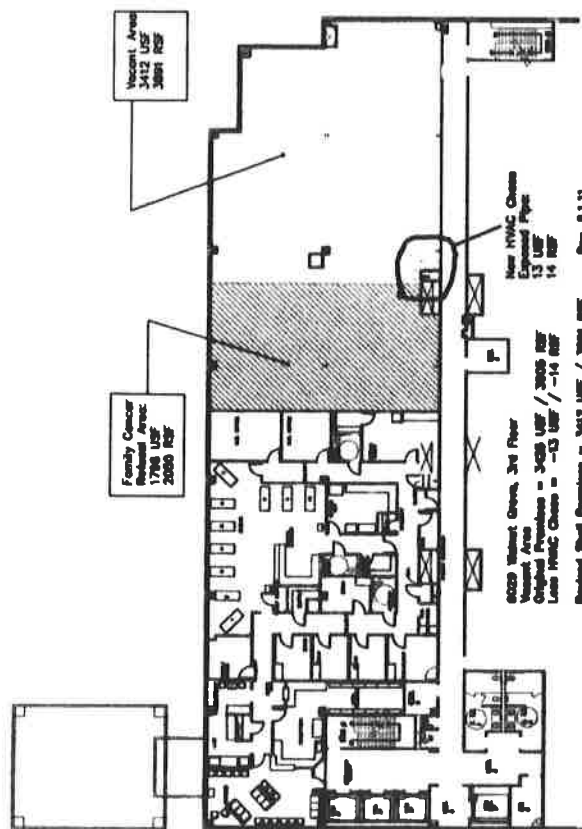
ACCEPTED BY:

Signature

Date



FLOOR PLAN
6029 Walnut Grove, Suite 200
An Area To Be Determined of
Approximately, 3,991 USF / 4,550 RSF



Factors in Modification Proposal

Section B, II, A

Medical Staff Growth

	Interest in and desire to physically locate in new BCCC Complex	Proposed by CN1105-018A	Changes which have occurred within the past year indicating need for modification	Proposed by this application
	No. of Oncology Groups	3 when submitted	Groups had indicated interest for initial CON and later affiliated with Baptist Medical Group (BMG).	3
*1	Number of Oncologists	7-9 anticipated	Number intending to practice at center increased (22 credentialed at BMH-Tipton)	Up to 15
	Radiation Oncology Groups	All independent	All are independent contractors	All independent
*2	Number of Radiation Oncologists	3	The number of Radiation oncologists has increased	5
	Number of Medical Specialty Groups (Specify Specialty)	Multiple groups involved	The cancer center will be available to any qualified physician who applies and receives privileges	Multiple groups involved
*1	Number of Medical Specialists (Specify Specialty)	48 Hematology/Oncology 28 Neurosurgery 56 General surgeons (incl. colon and rectal) 20 Thoracic and CV 4 Gynecologic 13 Pathology 10 Rad Oncologists	These physicians are on staff at BMH-Memphis and may elect to be on staff at BMH-Tipton with patients at the new cancer center.	48 Hematology/Oncology 28 Neurosurgery 56 General surgeons (incl. colon and rectal) 20 Thoracic and CV 4 Gynecologic 13 Pathology 10 Rad Oncologists

*1 - Number of Oncologists – The initial design included accommodations for patients of approx. 9 onsite medical oncologists. During the past year, the number of medical oncologists who expressed interest in practicing at the new center rose to 15 which increased the need for capacity to serve more patients. The number of medical oncologists that are credentialed at BMH – Tipton who may choose to practice at the center is currently 22. As indicated in the last line of the above chart, potentially many more BMH-Memphis credentialed physicians with cancer patients may eventually also choose to use the new cancer center.

*2 – Number of Radiation Oncologists – The radiation oncologists currently affiliated with BMH – Memphis are independent contractors. BMG includes additional radiation oncologists which accounts for the increase from 3 to 5. The last line in the chart above shows that 10 radiation oncologists are credentialed with BMH – Memphis and may also choose to be associated with the cancer center.

Equipment Utilization Growth

Medical Modality	Proposed by CN1105-018A	Projected Increase (Decrease)	Proposed by this application
Laboratory			
Complete Met. Panel;	6,746	1,221	7,967
CBC	21,364	8,972	30,336
Chemotherapy			
Chemo Infusion Pts	1,124		N/A
Chemotherapy T(x)s	69,958	2,657	72,615**
Medical Imaging			
General Radiology	23,425	(13,920) Will be reduced by PET and other	9,505
Other Medical Imaging			
Nuclear Medicine	244	Nuc Med will not be at Cancer Center (244)	0
Ultrasound	1,124	24	1,148
CT	4,752	95	4,847
PET/CT	783	Space included to add future unit 1,513	2,296
Radiation Therapy			
Radiation Therapy Pts	1,223	19	1,242
Radiation Therapy T(x)s	11,616	180	11,796
Cyberknife Pts			
Cyberknife T(x)	150		150
Total Number of Patients*	1,874	78	1,952

*The projections for the number of patients reflect newly-diagnosed cancer cases that will be served by BCCC in the second year.

** Based on physicians who have affiliated with Baptist Center for Cancer Care through Baptist Medical Group. The projections reflect the patient care practices of these physicians.

Need for Additional Equipment

Medical Modality	Proposed by CN1105-018A (please specify units)	Projected Increase (Decrease)	Proposed by This application (please specify units)
Laboratory	Phlebotomy area with some analysis capability. Samples transported to hospital lab.	On site capabilities substantially increased	1 phlebotomy area with multiple stations and 1 lab with: - 3 hema analyzer - 1 chem analyzer - 3 microscopes - 1 uri analyzer
Chemotherapy			
Chemo Infusion Stations	48	Capacity to increase stations as required	Up to 88
Medical Imaging Units			
Specify by type if #'s will change			
CT Simulator	1 relocated		1 relocated
Other Medical Imaging Units			
Ultrasound	1 new		1 new
General X-Ray	1 new		1 new
CT	1 relocated	CT will not be relocated	1 new 64 slice
PET/CT Scanners	1 relocated	A replacement will occur at time of relocation	1 new/replacement
Radiation Therapy			
Linear Accelerators	2 relocated	One replacement will occur at time of relocation to Cancer	1 relocated; 1 new/replacement
Cyberknife	1 relocated		1 relocated

Historical and Projected Utilization at BMH – Memphis and BMH – Tipton Cancer Center

Radiation Therapy Service Utilization:

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Linacs									
Patients	612	713	701	719	734	749	764	780	796
Treatments	11,624	11,352	10,989	11,218	11,449	11,685	11,925	12,171	12,422

PET Service Utilization:

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total PETs &/or Pet/CTs									
Total Procedures	910	854	683	743	756	769	783	797	811

The charts below are reflective of the current modified application.

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Linacs									
Patients	612	713	701	719	734	749	764	756	768
Treatments	11,624	11,352	10,989	11,218	11,449	11,685	11,925	11,796	11,980

Lin ACC Adjustments allow for relocation between 2014 and 2015.

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total PETs &/or Pet/CTs									
Total Procedures			2,178	2,116	2,159	2,203	2,249	2,296	2,342

PET Adjustments represent relocation/replacement of a PET unit used primarily for oncology patients and a number of cases from the PET unit that will remain at BMH-Memphis.

Comparative Project Cost Chart

	Proposed by CN CN1105-018A	Proposed by this application	Increase (Decrease)
Section A Construction & Equipment acquired by Purchase			
Architectural & Eng'r Costs	\$2,150,000	\$2,737,942	\$587,942
Legal, Admin, Consult	\$136,000	\$48,000	(\$88,000)
Acquisition of Site	\$8,250,000	\$11,000,000	\$2,750,000
Site Preparation	\$1,763,490	\$1,111,695	(\$651,795)
Construction	\$31,000,870	\$33,605,000	\$2,604,130
Contingency	\$2,395,000	\$4,221,643	\$1,826,643
Fixed Equip	\$2,287,696	\$11,121,960	\$8,834,264
Moveable Equip	\$3,007,860	\$4,561,893	\$1,554,033
Other (Specify) <u>Maintenance, I/S, Videoconference, Transfer from BMH - Memphis</u>	\$13,889,309	\$14,706,420	\$817,111
Building Only		\$1,674,647	\$1,674,647
Estimated Project Cost	\$64,880,225	\$84,789,200	\$19,908,975
CON Filing Fee	\$45,000	\$45,000	\$0
Total Estimated Project Cost	\$64,925,225	\$84,834,200	\$19,908,975

Addendum to Project Costs Chart

Clarification of Fixed Equipment Indicated In Project Costs	
<u>Item</u>	<u>New Cost or Market Value</u>
New/Replacement PET/CT	1,526,921
New/Replacement Lin Acc	4,247,820
Existing Lin Acc (relocation)	910,000
Cyberknife (relocation)	2,735,714
CT Slim (relocation)	395,000
New General X-ray	212,183
VariaSource HDR(relocation)	95,788
New 64 Slice CT	895,176
New Ultrasound	103,358
Total Fixed Equipment	11,121,960

Comparative Projected Data Chart

	Proposed by CN1105-018A Year 1	Proposed by This Application Year 1	Increase (Decrease)
Utilization			
Chemotherapy Treatments	69,958	72,615	2,657
Rad Onc Treatments	11,616	11,796	180
PET	783	2,296	1,513
Revenue from Services to patients	\$114,316,849	\$162,295,765	\$47,978,916
Deductions from Gross Revenue	\$69,831,477	\$105,237,976	\$35,406,499
Net Operating Revenue	\$44,485,372	\$57,057,789	\$12,572,417
Operating Expenses	\$33,741,010	\$48,543,025	\$14,802,015
Net Operating Income (Loss)	\$10,744,362	\$8,514,764	(\$2,229,598)

Comparative Costs Projections Chart

HCPCS Code	Short Descriptor	Approx. Medicare Reimbursement	Baptist Charge	Proposed Vanderbilt Maury Radiation Oncology (CN1012-053)
77290	Set Radiation Therapy Field	\$254.37	\$968.00	1260.00
77300	Radiation therapy dose plan	\$98.31	\$288.00	\$350.00
77336	Radiation physics consult	\$98.31	\$546.00	\$290.00
77370	Radiation physics consult	\$98.31	\$608.00	\$575.00
77470	Special radiation treatment	\$363.50	\$1888.00	\$1500.00
77295	Set radiation therapy field	\$885.71	\$3051.00	4075.00
77334	Radiation treatment aid(s)	\$182.06	\$719.00	775.00
77301	Radiotherapy dose plan, imrt	\$885.71	\$2401.00	4678.00

Comparative Staffing Chart

Position Descriptions	Proposed by CN1105-018A	Proposed by this application	Increase (Decrease)
ASSISTANT-OFFICE II	1.44	1.44	0.00
CLERICAL/SCHEDULING/CHART MANAGEMENT STAFF (NO BILLERS OR RECORDS CODERS)	11.6	11.6	0.00
CLERK-GENERAL II	0.21	0.21	0.00
CLINICAL AND NURSING PRACTICE MANAGER	1.0	1.0	0.00
CLINIC AND SCHEDULING MANAGER	2.0	2.0	0.00
DIRECTOR-RADIATION ONCOLOGY	1.02	1.02	0.00
DOSIMETRIST	2.12	2.12	0.00
ECHO TECH	1	1	0.00
FINANCIAL COUNSELOR	2.4	2.4	0.00
INFUSION THERAPY SERVICE DIRECTOR	1.0	1.0	0.00
LAB TECH's/MA's	12.0	12.0	0.00
NUCLEAR MEDICINE TECH	1	1	0.00
NURSE-HEAD	1.12	1.12	0.00
NURSE-REGISTERED	1.87	1.87	0.00
NURSING (EMR, QUALITY & DATA MANAGEMENT)	1.0	1.0	0.00
NURSING (RN's): CHEMO INFUSION	15.0	15.0	0.00
NURSING (RN's): STAT/INJECTIONS	1.8	1.8	0.00
NUTRITIONAL COUNSELOR	1.2	1.2	0.00
PET/CT TECH	1	1	0.00
PHARM TECH	1.2	4.0	2.80
PHARMACIST	1.2	4.0	2.80
PHLEBOTOMIST	1	4	3.00
RADIOLOGY TECH	1	1	0.00
SOCIAL WORKER	1.2	1.2	0.00
SUPERVISOR-RADIATION ONCOLOGY	1.02	1.02	0.00
THERAPIST-RADIATION LEAD	2.00	2.00	0.00
THERAPIST-RADIATION	6.47	6.47	0.00
TRANSCRIPTIONIST	1.2	1.2	0.00
VALET/TRANSPORTER	1.2	1.2	0.00
PHYSICIST	(contract)	(contract)	0.00
Admin Director		1	1.00
RN Navigators		2	2.00
Mgr CME/Admin Sec		1	1.00
Med Director		1	1.00
Genetics Counselor		2	2.00
Total FTE's	77.28	92.88	15.60

FDA Approval

Section B, II, E, (1), a, 4



January 27, 1998

Robert Phillips, Ph.D. (HFZ-470)
Office of Device Evaluation
Center for Devices and Radiological Health
Food and Drug Administration
9200 Corporate Boulevard
Rockville, MD 20850

Ref. 1 510(k) No. K904364
Varian Clinac® 2100C

Ref. 2 510(k) No. K973889
Varian MultiLeaf Collimator
with Dynamic Arc Therapy

Ref. 3 DRAERD Oct. 15, 1996 Letter
(Attached)

Ref. 4 C. H. Will Feb. 26, 1997 Letter
to Dr. Phillips (Attached)

Dear Dr. Phillips,

This is to advise that Varian intends to market a medical linear accelerator under a name different from that which was reported in the premarket notification (Ref. 1).

Specifically, the product known as the Varian Clinac 2100C will continue to be sold under that name and will also be sold as the "Clinac 21EX". The Clinac 21EX will be an essentially identical hardware platform with similar mechanical motions, and with essentially identical control software. The machine will be manufactured to meet the same values for the beam characteristics of energy and depth dose, although with tightened tolerances, and tightened values of other beam parameters, such as flatness and symmetry. Some component changes will be made to heighten reliability factors.

Unlike the Clinac 2100C/D, the standard Clinac 21EX will be "bundled" with a MultiLeaf Collimator (MLC) with dynamic arc therapy (Ref. 2) and the Exact treatment couch (Ref. 3), and will be equipped to provide physiological gating (Ref. 4). Physiological monitors to provide the gating signals will not be included.

Varian Associates, Inc. 3045 Hanover Street Palo Alto, California 94304-1129 U.S.A.
415/493-4000 FAX 415/424-4830

Dr. Robert Phillips
Re: Varian Clinac 21EX
January 27, 1998

Page 2

Varian has discussed the Clinac 21EX with prospective customers, particularly in the Far East, and they are requesting Certificates for Products for Export that will include the Clinac 21EX. Varian will shortly apply for such certificates, and requests that ODE provide the necessary information to the Office of Compliance, Information Processing and Office Automation Branch.

Sincerely yours,



Charles H. Will, Manager
Regulatory Compliance & Safety
Varian Oncology Systems

Attachments



DEPARTMENT OF HEALTH & HUMAN SERVICES

C. Will 1/1/86
Public Health Service

OCT - 3 1986

Food and Drug Administration
8757 Georgia Avenue
Silver Spring MD 20910

Varian
Attn: Richard M. Levy
611 Hansen Way
Palo Alto, California 94303

Re: K862645/A
CLINAC (R) "C" SERIES
(400C, 600C, 2100C AND 2500C)
Dated: August 22, 1986
Received: August 28, 1986

Dear Mr. Levy:

We have reviewed your Section 510(k) notification of intent to market the above device and we have determined the device to be substantially equivalent to devices marketed in interstate commerce prior to May 28, 1976, the enactment date of the Medical Device Amendments. You may, therefore, market your device subject to the general controls provisions of the Federal Food, Drug, and Cosmetic Act (Act) until such time as your device has been classified under Section 513. At that time, if your device is classified into either class II (Performance Standards) or class III (Premarket Approval), it would be subject to additional controls. Please note: This action does not affect any obligation you might have under the Radiation Control for Health and Safety Act of 1968, or other Federal Laws or regulations.

General controls presently include regulations on annual registration, listing of devices, good manufacturing practice, labeling, and the misbranding and adulteration provisions of the Act. In the future, the scope of general controls may be broadened to include additional regulations.

All regulations and information on meetings of the device advisory committees, their recommendations, and the final decisions of the Food and Drug Administration (FDA) will be published in the Federal Register. We suggest you subscribe to this publication so you can convey your views to FDA if you desire and be notified of any additional requirements imposed on your device. Subscriptions may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Such information also may be reviewed in the Dockets Management Branch (HFA-305), Food and Drug Administration, Room 4-62, 5600 Fishers Lane, Rockville, Maryland 20857.

This letter does not in any way denote official FDA approval of your device or its labeling. Any representation that creates an impression of official approval of this device because of compliance with the premarket notification regulations is misleading and constitutes misbranding. If you desire advice on the labeling for your device or other information on your responsibilities under the Act, please contact the Office of Compliance, Division of Compliance Operations (HFZ-320), 8757 Georgia Avenue, Silver Spring, Maryland 20910.

Sincerely yours,

George C. Murray, Ph.D.
Director
Division of Anesthesiology, Neurology,
and Radiology Devices
Center for Devices and Radiological
Health



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service



Food and Drug Administration
9200 Corporate Boulevard
Rockville MD 20850

Ms. Vy Tran
Corporate Director of Regulatory Affairs
Varian Medical Systems, Inc.
3100 Hansen Way
PALO ALTO CA 94304-1038

JUL 27 2004

Re: K033343

Device Name: The Trilogy Radiotherapy Delivery System and the Clinac iX

Dated: July 21, 2004

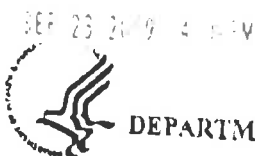
Received: July 22, 2004

Dear Ms. Tran:

We have reviewed the information dated July 21, 2004, regarding the 510(k) notification K033343 previously submitted for the device referenced above. Based solely on the change or modification that you have described, it does not appear that you have significantly changed or modified the design, components, method of manufacture, or intended use of the device referenced above (see 21 CFR 807.81(a)(3)). Additionally, we did not review any data submitted with this add to file. It is, however, your responsibility to determine if the change or modification to the device or its labeling could significantly affect the device's safety or effectiveness and thus require submission of a new 510(k). Please refer to our guidance document entitled, "Deciding When to Submit a 510(k) for a Change to an Existing Device" at www.fda.gov/cdrh/ode/510kmod.html. The information you have supplied will be added to the file.

Sincerely yours,

for Nancy C. Brogdon
Director, Division of Reproductive,
Abdominal, and Radiological Devices
Office of Device Evaluation
Center for Devices and Radiological Health



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

SEP 18 2009

Food and Drug Administration
10903 New Hampshire Avenue
Document Control Room - WO66-G609
Silver Spring, MD 20993-0002

Ms. Anne Schlagenhaft
Senior Regulatory Affairs Associate
Accuray, Inc.
1310 Chesapeake Terrace
SUNNYVALE CA 94089

Re: K091999

Trade/Device Name: CyberKnife VSI™ Robotic Radiosurgery System
Regulation Number: 21 CFR 892.5050
Regulation Name: Medical charged-particle radiation therapy system
Regulatory Class: II
Product Code: IYE
Dated: August 21, 2009
Received: August 24, 2009

Dear Ms. Schlagenhaft:

We have reviewed your Section 510(k) premarket notification of intent to market the device referenced above and have determined the device is substantially equivalent (for the indications for use stated in the enclosure) to legally marketed predicate devices marketed in interstate commerce prior to May 28, 1976, the enactment date of the Medical Device Amendments, or to devices that have been reclassified in accordance with the provisions of the Federal Food, Drug, and Cosmetic Act (Act) that do not require approval of a premarket approval application (PMA). You may, therefore, market the device, subject to the general controls provisions of the Act. The general controls provisions of the Act include requirements for annual registration, listing of devices, good manufacturing practice, labeling, and prohibitions against misbranding and adulteration.

If your device is classified (see above) into either class II (Special Controls) or class III (PMA), it may be subject to additional controls. Existing major regulations affecting your device can be found in the Code of Federal Regulations, Title 21, Parts 800 to 898. In addition, FDA may publish further announcements concerning your device in the Federal Register.

Please be advised that FDA's issuance of a substantial equivalence determination does not mean that FDA has made a determination that your device complies with other requirements of the Act or any Federal statutes and regulations administered by other Federal agencies. You must comply with all the Act's requirements, including, but not limited to: registration and listing (21 CFR Part 807); labeling (21 CFR Part 801); medical device reporting (reporting of medical

Page 2 -

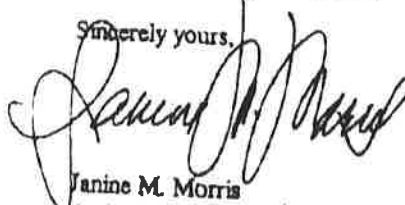
device related adverse events) (21 CFR 803); good manufacturing practice requirements as set forth in the quality systems (QS) regulation (21 CFR Part 820); and if applicable, the electronic product radiation control provisions (Sections 531-542 of the Act); 21 CFR 1000-1050.

If you desire specific advice for your device on our labeling regulation (21 CFR Part 801), please go to <http://www.fda.gov/AboutFDA/CentersOffices/CDRH/CDRHOffices/ucm115809.htm> for the Center for Devices and Radiological Health's (CDRH's) Office of Compliance. Also, please note the regulation entitled, "Misbranding by reference to premarket notification" (21 CFR Part 807.97). For questions regarding the reporting of adverse events under the MDR regulation (21 CFR Part 803), please go to

<http://www.fda.gov/MedicalDevices/Safety/ReportaProblem/default.htm> for the CDRH's Office of Surveillance and Biometrics/Division of Postmarket Surveillance.

You may obtain other general information on your responsibilities under the Act from the Division of Small Manufacturers, International and Consumer Assistance at its toll-free number (800) 638-2041 or (301) 796-7100 or at its Internet address <http://www.fda.gov/MedicalDevices/ResourcesforYou/Industry/default.htm>.

Sincerely yours,



Janine M. Morris
Acting Director, Division of Reproductive,
Abdominal, and Radiological Devices
Office of Device Evaluation
Center for Devices and Radiological Health

Enclosure

Indications for Use

510(k) Number (if known): K091999

Device Name: CyberKnife VSI™ Robotic Radiosurgery System

Indications For Use:

The CyberKnife VSI™ Robotic Radiosurgery System is indicated for treatment planning and image guided stereotactic radiosurgery and precision radiotherapy for lesions, tumors and conditions anywhere in the body when radiation treatment is indicated.

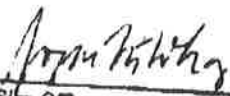
Prescription Use ☒
(Part 21 CFR 801 Subpart D)

AND/OR

Over-The-Counter Use _____
(21 CFR 807 Subpart C)

(PLEASE DO NOT WRITE BELOW THIS LINE-CONTINUE ON ANOTHER PAGE IF NEEDED)

Concurrence of CDRH, Office of Device Evaluation (ODE)


(Division Sign-Off)
Division of Reproductive, Abdominal,
and Radiological Devices
510(k) Number K091999

Page 1 of _____

510(K) Decision – Discovery ST Alternate BGO (8X6) detector

The current Discovery ST Detector consists of 24 detector rings of bismuth germanate (BGO) crystals, with each detector having individual crystals arranged in a 6X6 matrix.

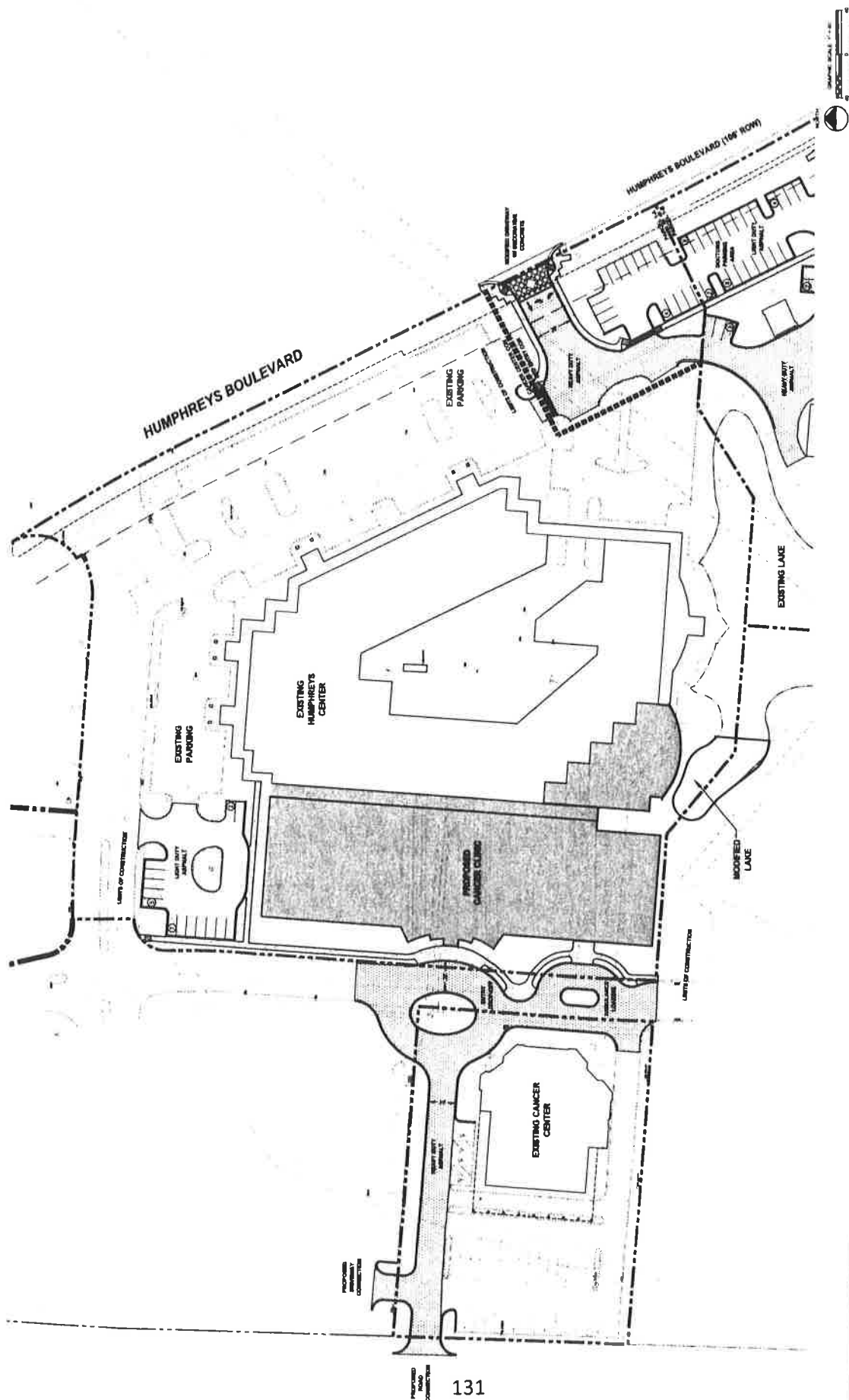
The alternate detector is identical except that each detector has BGO crystals in an 8X6 matrix. This detector will have an improved hardware resolution specification as compared to the current 6X6 BGO detector. Acquisition electronics and reconstruction algorithms may be modified as needed to accommodate the alternate detector. There are no other significant changes in design, fundamental technology, construction, materials, performance, or labeling associated with use of this alternate detector. There is no change in intended use.

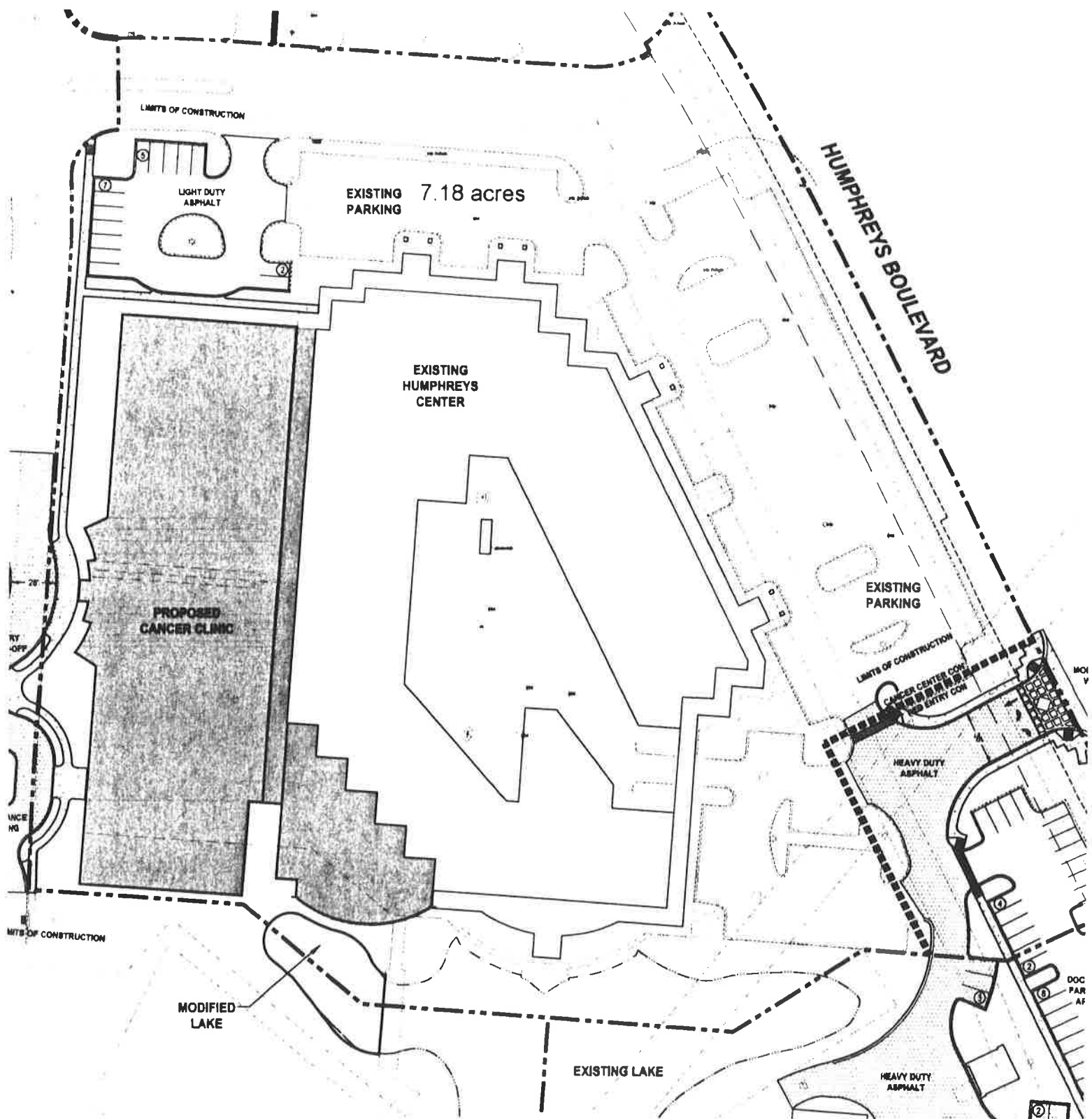
A minor change in detector geometry and an incremental increase in resolution are not expected to raise new questions of safety or effectiveness.

Since this detector does not introduce new intended uses, does not otherwise introduce significant changes to the system, and does not represent a significant change in safety or effectiveness, it is concluded, per the attached flowchart, that a 510(k) is not required.

Plot Plan

Section B, III, A (1)





CONCEPTUAL SITE PLAN

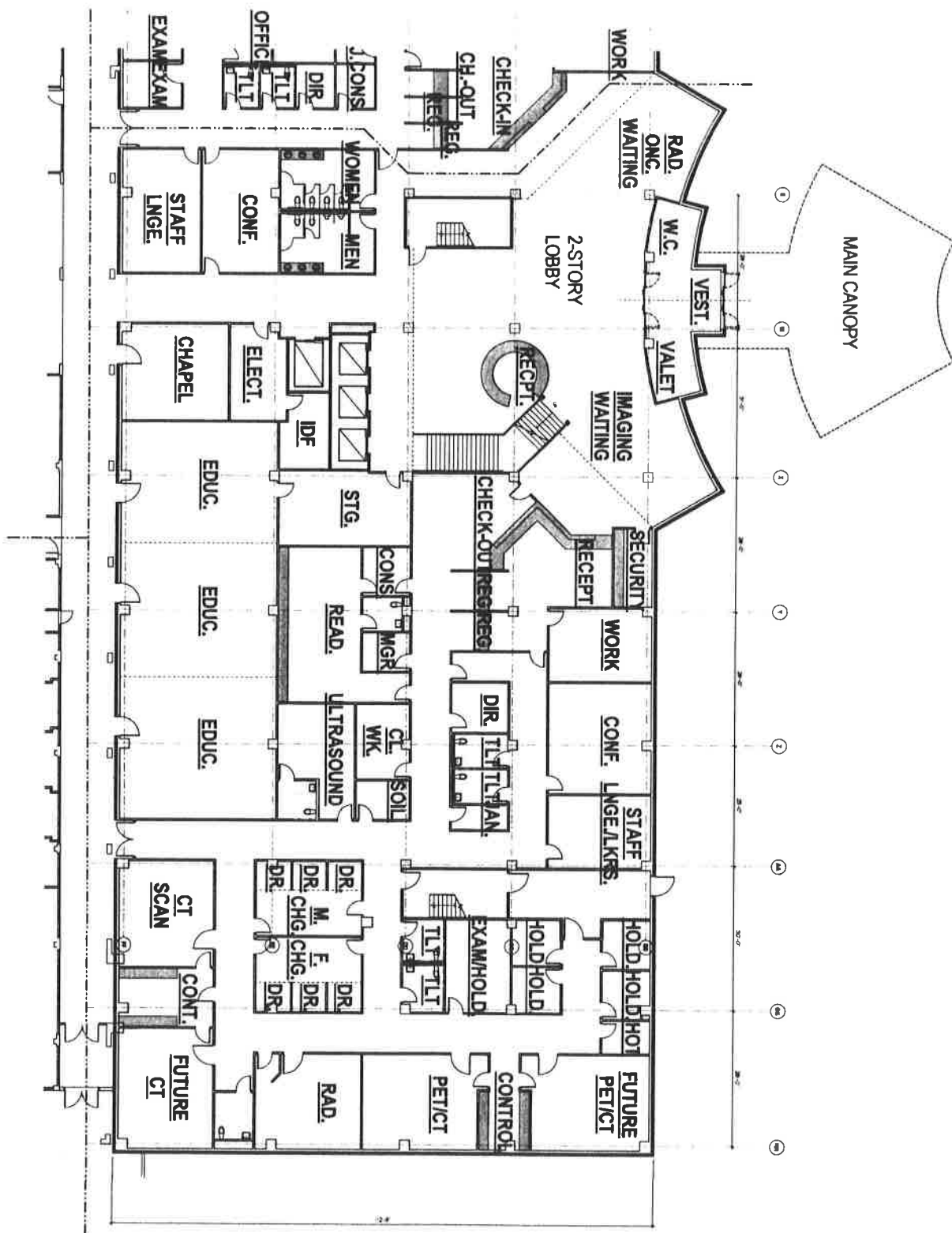
NOVEMBER 5, 2012

BAP

Floor Plan

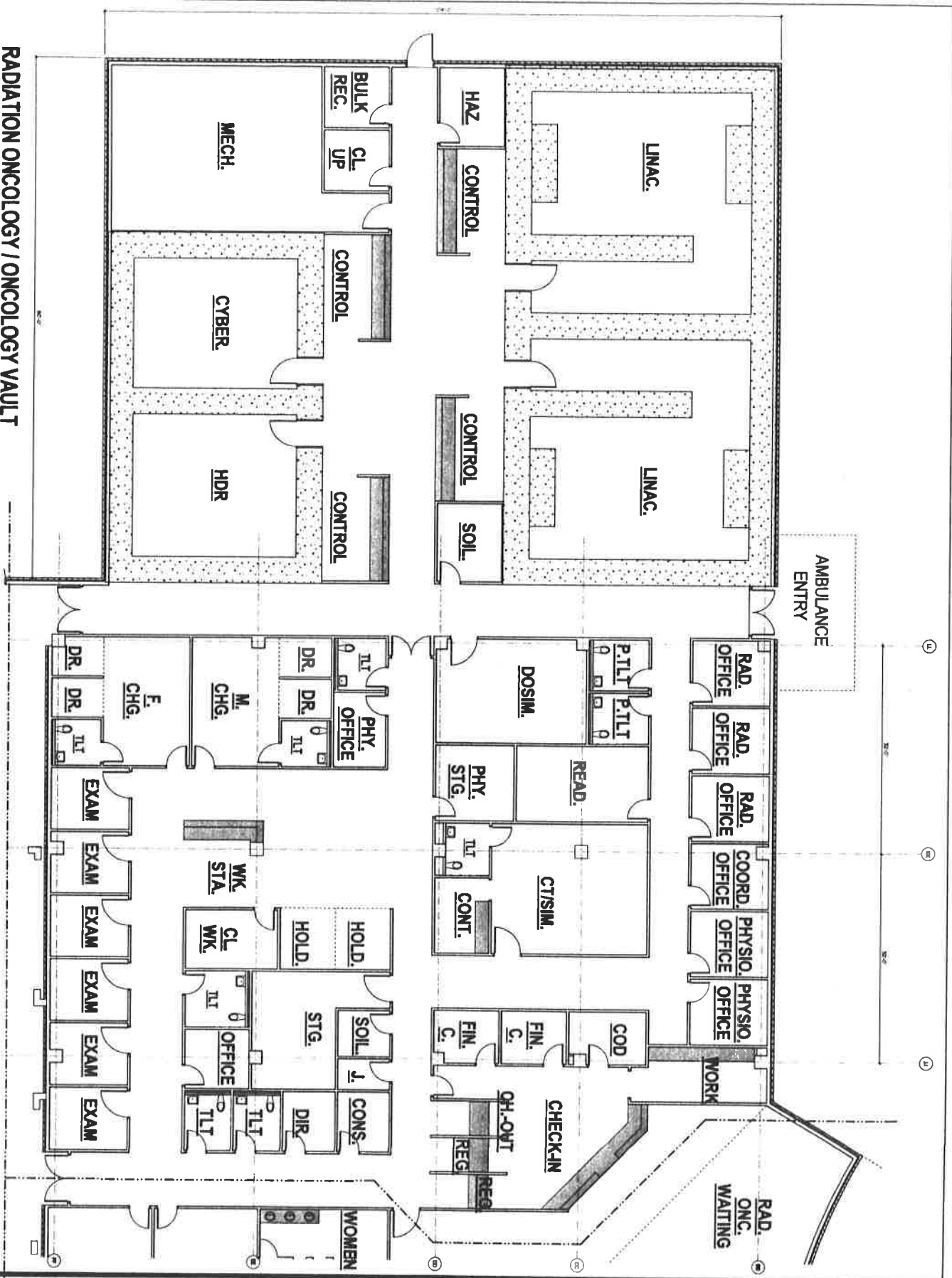
Section B, IV

DIAGNOSTICS / IMAGING / RADIATION - CONFERENCE / EDUCATION



RADIATION ONCOLOGY / ONCOLOGY VAULT

1 FIRST FLOOR PLAN PART B



1B

FIRST FLOOR PLAN
PART B

DATE	11/07/17
BY	11/07/17
REVISION	11/07/17
DESCRIPTION	11/07/17
1	11/07/17
2	11/07/17
3	11/07/17
4	11/07/17
5	11/07/17
6	11/07/17
7	11/07/17
8	11/07/17
9	11/07/17
10	11/07/17
11	11/07/17
12	11/07/17
13	11/07/17
14	11/07/17
15	11/07/17
16	11/07/17
17	11/07/17
18	11/07/17
19	11/07/17
20	11/07/17
21	11/07/17
22	11/07/17
23	11/07/17
24	11/07/17
25	11/07/17
26	11/07/17
27	11/07/17
28	11/07/17
29	11/07/17
30	11/07/17
31	11/07/17
32	11/07/17
33	11/07/17
34	11/07/17
35	11/07/17
36	11/07/17
37	11/07/17
38	11/07/17
39	11/07/17
40	11/07/17
41	11/07/17
42	11/07/17
43	11/07/17
44	11/07/17
45	11/07/17
46	11/07/17
47	11/07/17
48	11/07/17
49	11/07/17
50	11/07/17
51	11/07/17
52	11/07/17
53	11/07/17
54	11/07/17
55	11/07/17
56	11/07/17
57	11/07/17
58	11/07/17
59	11/07/17
60	11/07/17
61	11/07/17
62	11/07/17
63	11/07/17
64	11/07/17
65	11/07/17
66	11/07/17
67	11/07/17
68	11/07/17
69	11/07/17
70	11/07/17
71	11/07/17
72	11/07/17
73	11/07/17
74	11/07/17
75	11/07/17
76	11/07/17
77	11/07/17
78	11/07/17
79	11/07/17
80	11/07/17
81	11/07/17
82	11/07/17
83	11/07/17
84	11/07/17
85	11/07/17
86	11/07/17
87	11/07/17
88	11/07/17
89	11/07/17
90	11/07/17
91	11/07/17
92	11/07/17
93	11/07/17
94	11/07/17
95	11/07/17
96	11/07/17
97	11/07/17
98	11/07/17
99	11/07/17
100	11/07/17

ES&S

ES&S ENGINEERING & ARCHITECTURE, INC.
1111 BELL STREET, SUITE 100
MEMPHIS, TENNESSEE 38103
TEL: 901.521.1111
FAX: 901.521.1112
WWW.ESANDSARCHITECTURE.COM

DATE: 11/07/17
BY: 11/07/17
REVISION: 11/07/17
DESCRIPTION: 11/07/17

1. This drawing is the property of ES&S Engineering & Architecture, Inc. and is not to be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or by any information storage and retrieval system, without the prior written permission of ES&S Engineering & Architecture, Inc.

2. If a revision is required, it must be approved by the owner and the architect.

3. If a revision is required, it must be approved by the owner and the architect.

4. If a revision is required, it must be approved by the owner and the architect.

5. If a revision is required, it must be approved by the owner and the architect.

6. If a revision is required, it must be approved by the owner and the architect.

7. If a revision is required, it must be approved by the owner and the architect.

8. If a revision is required, it must be approved by the owner and the architect.

9. If a revision is required, it must be approved by the owner and the architect.

10. If a revision is required, it must be approved by the owner and the architect.

11. If a revision is required, it must be approved by the owner and the architect.

12. If a revision is required, it must be approved by the owner and the architect.

13. If a revision is required, it must be approved by the owner and the architect.

14. If a revision is required, it must be approved by the owner and the architect.

15. If a revision is required, it must be approved by the owner and the architect.

16. If a revision is required, it must be approved by the owner and the architect.

17. If a revision is required, it must be approved by the owner and the architect.

18. If a revision is required, it must be approved by the owner and the architect.

19. If a revision is required, it must be approved by the owner and the architect.

20. If a revision is required, it must be approved by the owner and the architect.

21. If a revision is required, it must be approved by the owner and the architect.

22. If a revision is required, it must be approved by the owner and the architect.

23. If a revision is required, it must be approved by the owner and the architect.

24. If a revision is required, it must be approved by the owner and the architect.

25. If a revision is required, it must be approved by the owner and the architect.

26. If a revision is required, it must be approved by the owner and the architect.

27. If a revision is required, it must be approved by the owner and the architect.

28. If a revision is required, it must be approved by the owner and the architect.

29. If a revision is required, it must be approved by the owner and the architect.

30. If a revision is required, it must be approved by the owner and the architect.

31. If a revision is required, it must be approved by the owner and the architect.

32. If a revision is required, it must be approved by the owner and the architect.

33. If a revision is required, it must be approved by the owner and the architect.

34. If a revision is required, it must be approved by the owner and the architect.

35. If a revision is required, it must be approved by the owner and the architect.

36. If a revision is required, it must be approved by the owner and the architect.

37. If a revision is required, it must be approved by the owner and the architect.

38. If a revision is required, it must be approved by the owner and the architect.

39. If a revision is required, it must be approved by the owner and the architect.

40. If a revision is required, it must be approved by the owner and the architect.

41. If a revision is required, it must be approved by the owner and the architect.

42. If a revision is required, it must be approved by the owner and the architect.

43. If a revision is required, it must be approved by the owner and the architect.

44. If a revision is required, it must be approved by the owner and the architect.

45. If a revision is required, it must be approved by the owner and the architect.

46. If a revision is required, it must be approved by the owner and the architect.

47. If a revision is required, it must be approved by the owner and the architect.

48. If a revision is required, it must be approved by the owner and the architect.

49. If a revision is required, it must be approved by the owner and the architect.

50. If a revision is required, it must be approved by the owner and the architect.

51. If a revision is required, it must be approved by the owner and the architect.

52. If a revision is required, it must be approved by the owner and the architect.

53. If a revision is required, it must be approved by the owner and the architect.

54. If a revision is required, it must be approved by the owner and the architect.

55. If a revision is required, it must be approved by the owner and the architect.

56. If a revision is required, it must be approved by the owner and the architect.

57. If a revision is required, it must be approved by the owner and the architect.

58. If a revision is required, it must be approved by the owner and the architect.

59. If a revision is required, it must be approved by the owner and the architect.

60. If a revision is required, it must be approved by the owner and the architect.

61. If a revision is required, it must be approved by the owner and the architect.

62. If a revision is required, it must be approved by the owner and the architect.

63. If a revision is required, it must be approved by the owner and the architect.

64. If a revision is required, it must be approved by the owner and the architect.

65. If a revision is required, it must be approved by the owner and the architect.

66. If a revision is required, it must be approved by the owner and the architect.

67. If a revision is required, it must be approved by the owner and the architect.

68. If a revision is required, it must be approved by the owner and the architect.

69. If a revision is required, it must be approved by the owner and the architect.

70. If a revision is required, it must be approved by the owner and the architect.

71. If a revision is required, it must be approved by the owner and the architect.

72. If a revision is required, it must be approved by the owner and the architect.

73. If a revision is required, it must be approved by the owner and the architect.

74. If a revision is required, it must be approved by the owner and the architect.

75. If a revision is required, it must be approved by the owner and the architect.

76. If a revision is required, it must be approved by the owner and the architect.

77. If a revision is required, it must be approved by the owner and the architect.

78. If a revision is required, it must be approved by the owner and the architect.

79. If a revision is required, it must be approved by the owner and the architect.

80. If a revision is required, it must be approved by the owner and the architect.

81. If a revision is required, it must be approved by the owner and the architect.

82. If a revision is required, it must be approved by the owner and the architect.

83. If a revision is required, it must be approved by the owner and the architect.

84. If a revision is required, it must be approved by the owner and the architect.

85. If a revision is required, it must be approved by the owner and the architect.

86. If a revision is required, it must be approved by the owner and the architect.

87. If a revision is required, it must be approved by the owner and the architect.

88. If a revision is required, it must be approved by the owner and the architect.

89. If a revision is required, it must be approved by the owner and the architect.

90. If a revision is required, it must be approved by the owner and the architect.

91. If a revision is required, it must be approved by the owner and the architect.

92. If a revision is required, it must be approved by the owner and the architect.

93. If a revision is required, it must be approved by the owner and the architect.

94. If a revision is required, it must be approved by the owner and the architect.

95. If a revision is required, it must be approved by the owner and the architect.

96. If a revision is required, it must be approved by the owner and the architect.

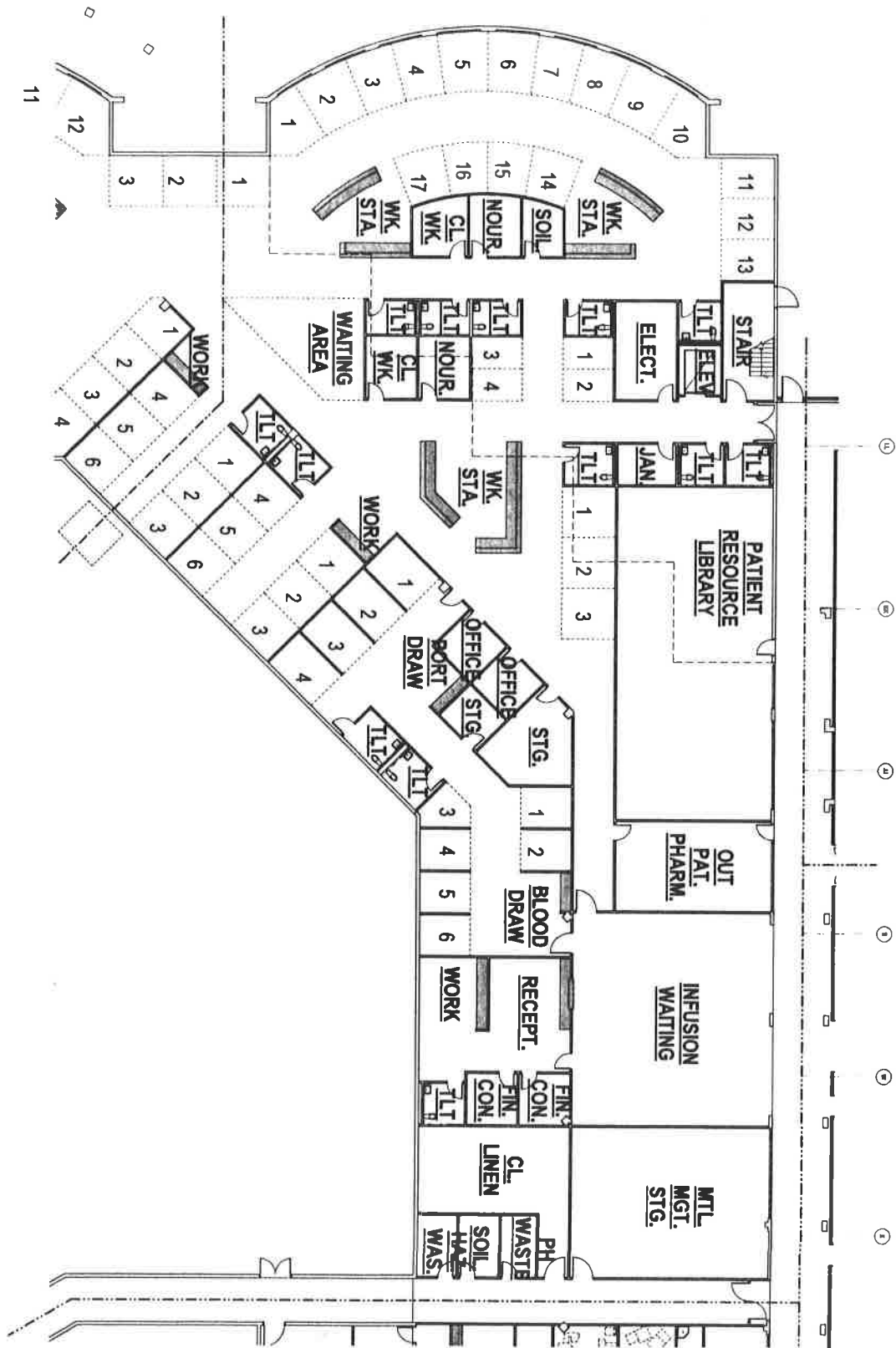
97. If a revision is required, it must be approved by the owner and the architect.

98. If a revision is required, it must be approved by the owner and the architect.

99. If a revision is required, it must be approved by the owner and the architect.

100. If a revision is required, it must be approved by the owner and the architect.

CHEMO INFUSION AREA / FAMILY RESOURCE CENTER FIRST FLOOR PLAN PART C



ES&S
Environmental Science & Safety
2700 Highway 58, Suite 200
Memphis, Tennessee 38117
Phone: (901) 596-1773
Fax: (901) 596-1774
The design of this project is the property of ES&S. No part of this design may be reproduced or transmitted in any form or by any means electronic or mechanical, including photocopying and recording, or by any information storage or retrieval system, without the written permission of ES&S.

SCHEMATIC DESIGN

PHASE LIBRARY
NOT FOR CONSTRUCTION

137
BMHCC Integrated Cancer Center

MEMPHIS, TENNESSEE

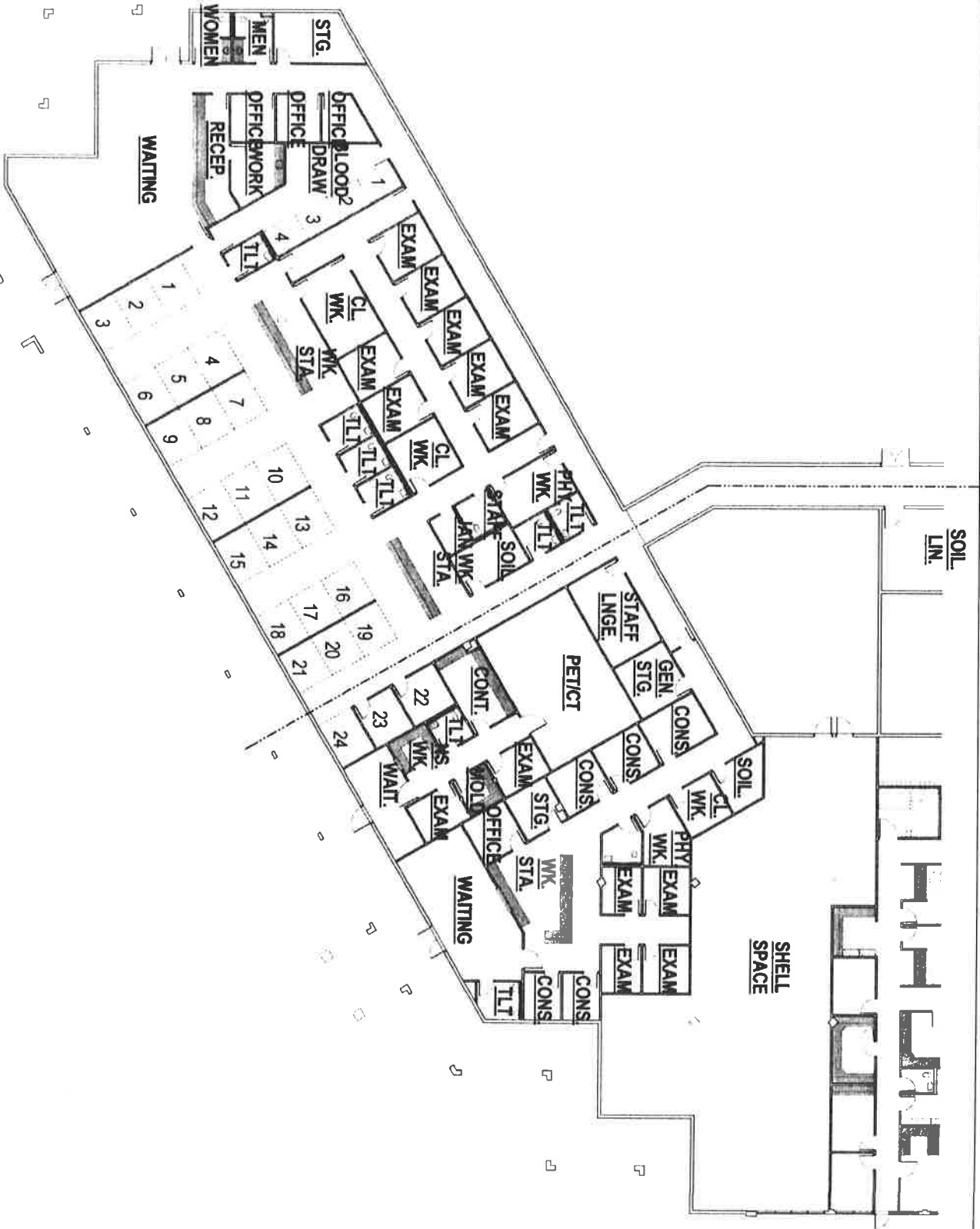
FIRST FLOOR PLAN
PART C

1C



FIRST FLOOR PLAN PART E

OUTPATIENT STEM CELL - PET/CT - MULTID BREAST CLINIC - WOMENS CENTER EXPANSION AREA



139

BMHCC Integrated Cancer Center

MEMPHIS, TENNESSEE

1E

FIRST FLOOR PLAN PART E

DATE	2/2/2011
BY	JAC
CHECKED BY	JAC
APPROVED BY	JAC

PRELIMINARY
NOT FOR CONSTRUCTION

SCHEMATIC DESIGN

100% DESIGN
20% CONSTRUCTION

100% DESIGN
20% CONSTRUCTION

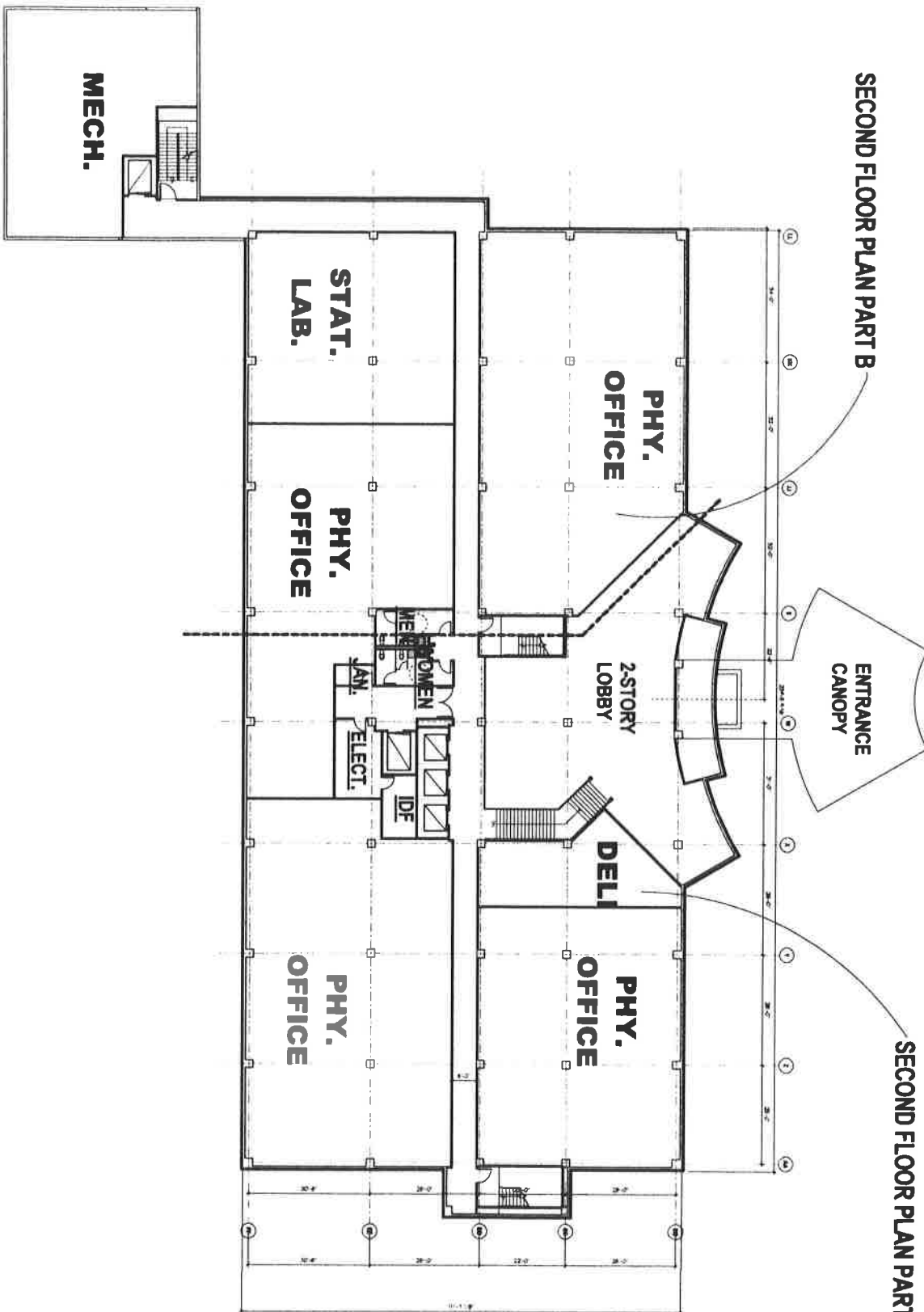
100% DESIGN
20% CONSTRUCTION

100% DESIGN
20% CONSTRUCTION

100% DESIGN
20% CONSTRUCTION

SECOND FLOOR PLAN PART B

SECOND FLOOR PLAN PART A



SECOND FLOOR MASTERPLAN

2ND FLOOR MASTER PLAN



ES&S
Engineering, Science & Surveying, Inc.
1000 North Central Expressway, Suite 1000
Memphis, Tennessee 38103
Phone: (901) 521-1000
Fax: (901) 521-1001
www.esand-s.com

SCHEMATIC DESIGN
PANEL SUMMARY
NOT FOR CONSTRUCTION

140 BMHCC Integrated Cancer Center

MEMPHIS, TENNESSEE

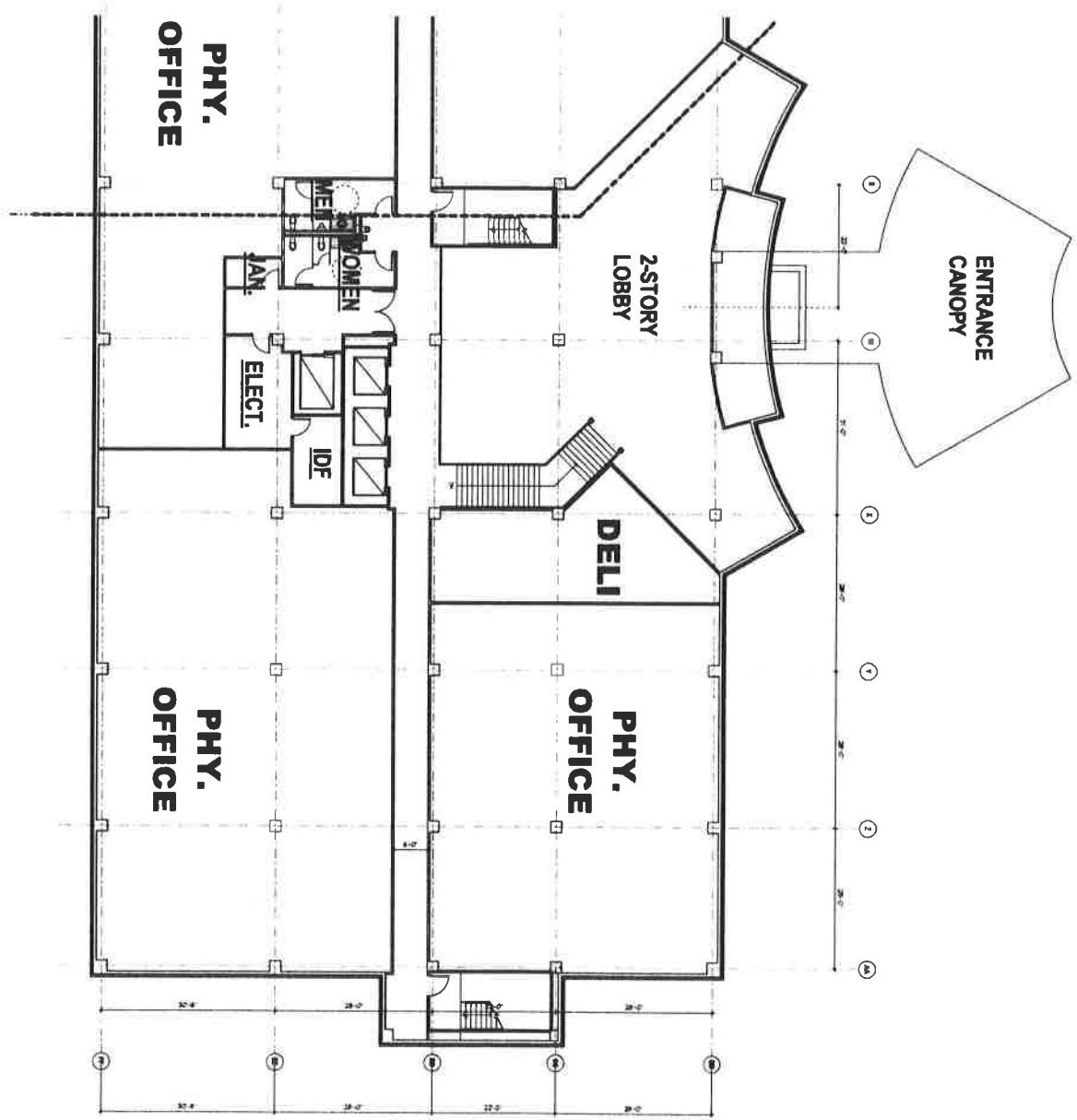
NO.	DATE	DESCRIPTION
1	10/10/00	SCHEMATIC DESIGN
2	11/14/00	REVISED
3	12/14/00	REVISED
4	01/10/01	REVISED
5	02/10/01	REVISED

SECOND FLOOR
MASTER PLAN

2.0

PHYSICIAN OFFICE / DELI

SECOND FLOOR PLAN PART A



ES&S
 Environmental Science & Safety
 10000 Highway 100, Suite 100
 Knoxville, Tennessee 37921
 423-243-0000
 Fax: 423-243-0001
 E-mail: info@ess-usa.com
 Web: www.ess-usa.com
 © 2000 ES&S. All rights reserved.

ES&S
 ENVIRONMENTAL SCIENCE & SAFETY
 NOT FOR CONSTRUCTION

141
 BMHCC Integrated Cancer Center

MEMPHIS, TENNESSEE

NO.	REVISION	DATE	BY	CHKD.
1	ISSUED FOR CONSTRUCTION	10/15/00	ES&S	ES&S
2	REVISED	10/15/00	ES&S	ES&S
3	REVISED	10/15/00	ES&S	ES&S

SECOND FLOOR
 PLAN PART A

2A



ES&S
Engineering & Surveying, Inc.
2001 West 10th Avenue, Suite 1200
Boulder, Colorado 80502
303.440.1234

A. Being used as a guide only. The project is subject to change without notice. The engineer is not responsible for the construction of the project.

DATE: 10/1/00

PROJECT: BMHCC Integrated Cancer Center

DATE: 10/1/00

142

BMHCC Integrated Cancer Center

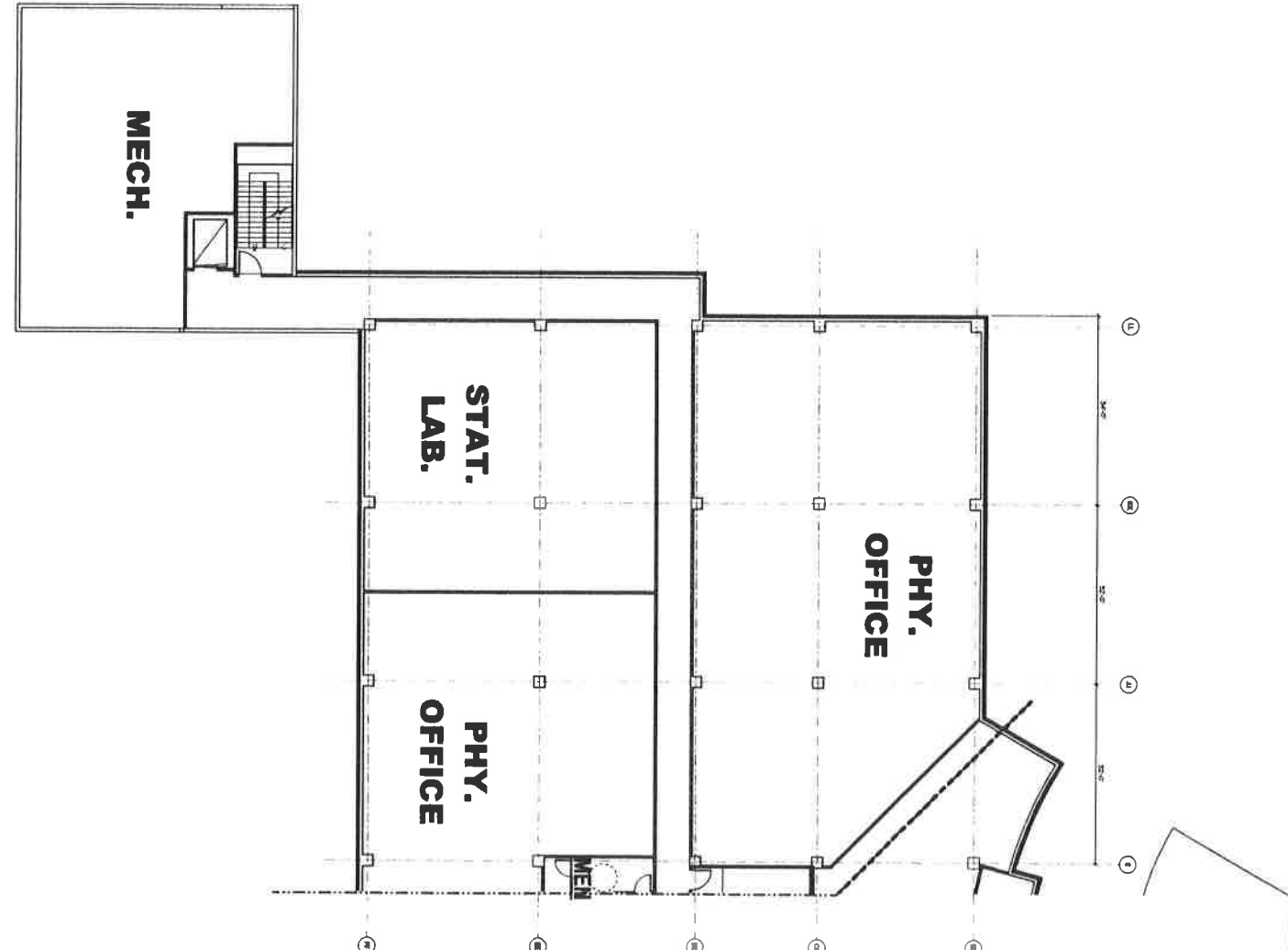
MEMPHIS, TENNESSEE

Project Name	BMHCC Integrated Cancer Center
Project Number	142
Project Location	Memphis, Tennessee
Project Date	10/1/00
Project Status	Under Construction

SECOND FLOOR
PLAN PART B

2B

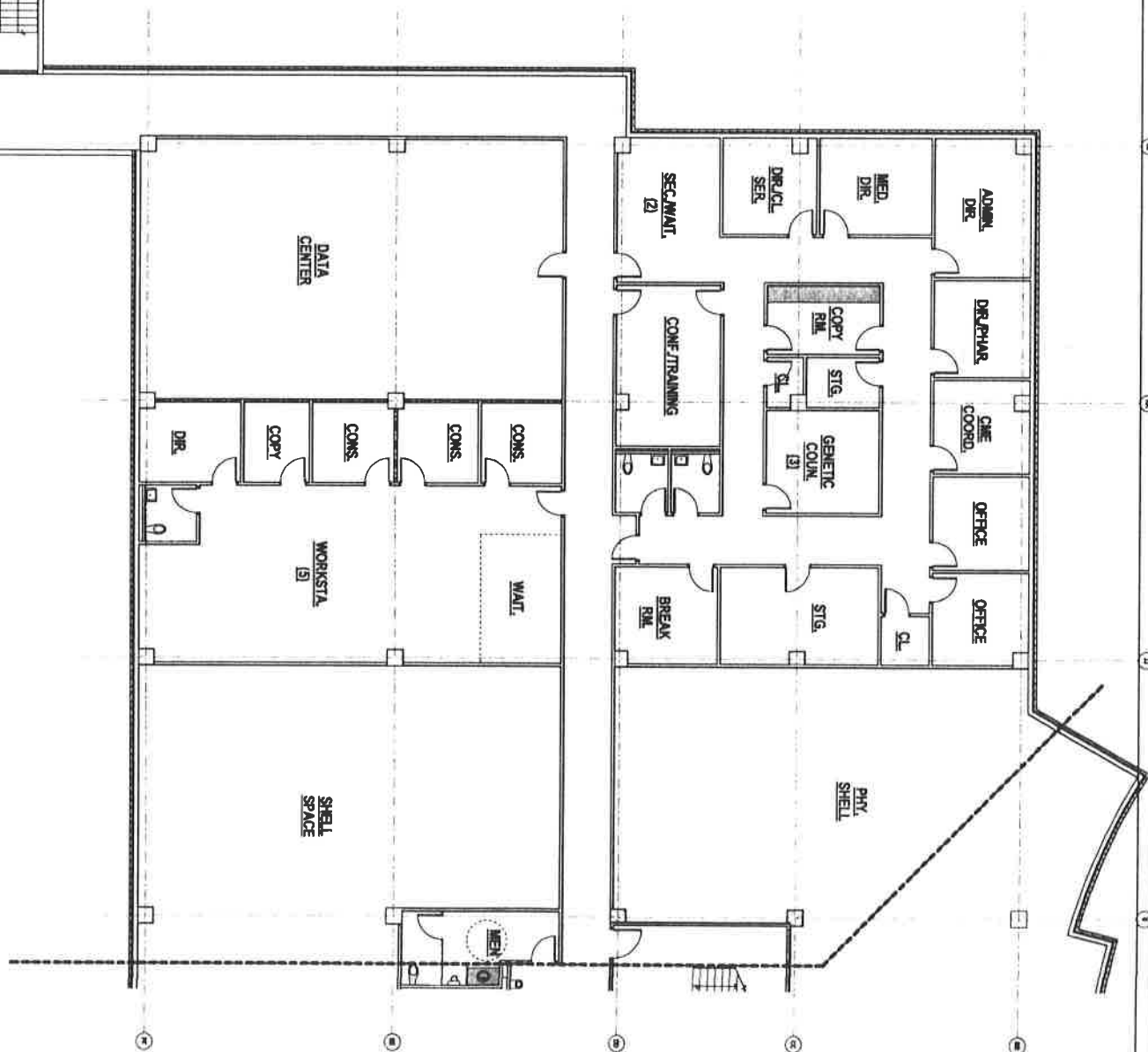
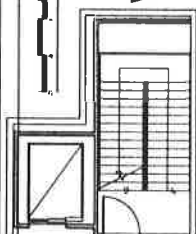
STAT LAB / PHY. OFFICE / MECH.
SECOND FLOOR PLAN PART B

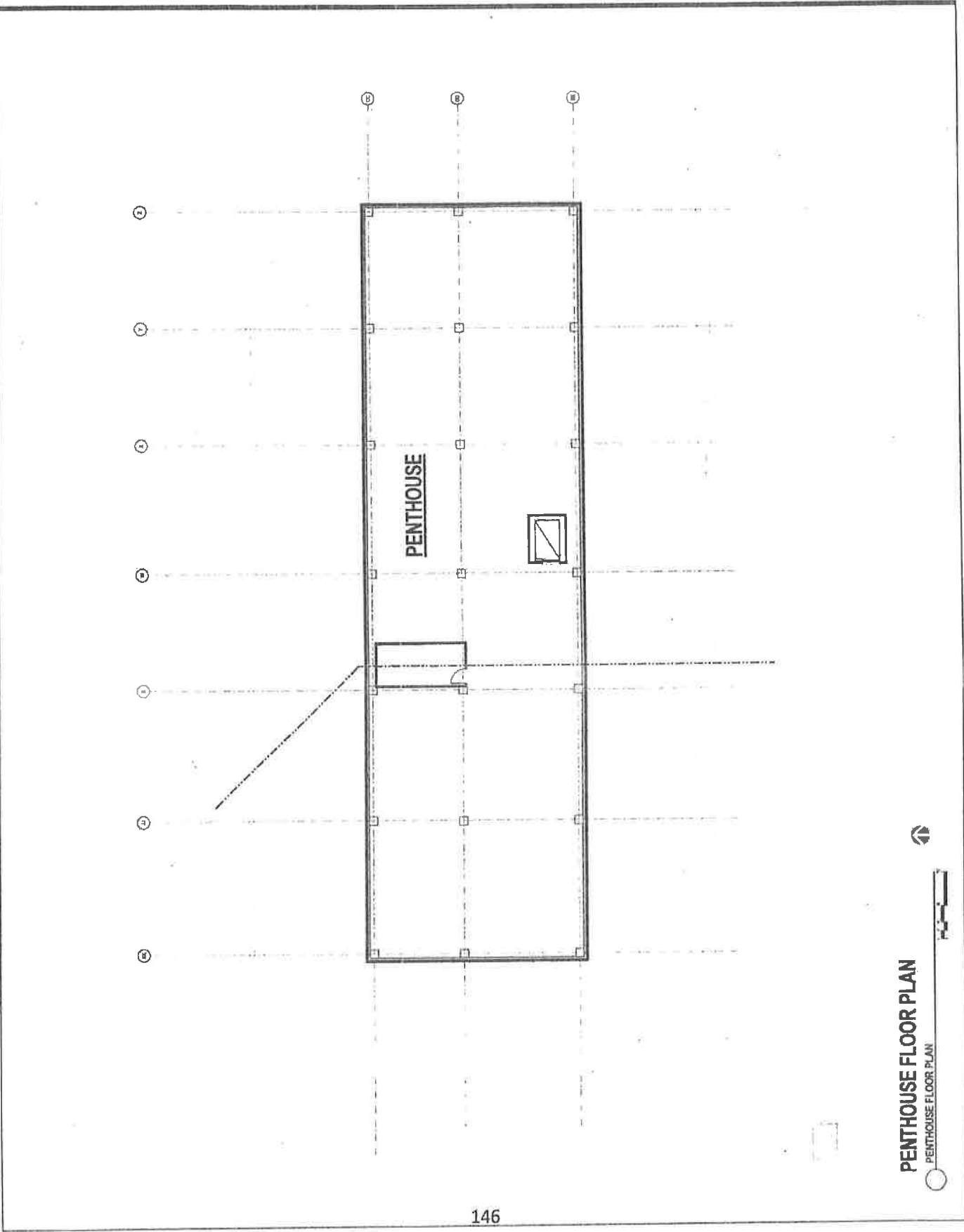


THIRD FLOOR PLAN PART B



THIRD FLOOR PLAN PART B





Intentionally Omitted

Intentionally Omitted

Intentionally Omitted

Intentionally Omitted

Intentionally Omitted

Service Area Map

Section C, 3



Utilization of Linear Accelerators & PET/CT

Need, 5

Utilization for Linear Accelerators

The annual utilization of all linear accelerators within the applicant's declared service area for the three previously reported years below.

	Location	2009	2009	2010	2010	2011	2011	2011
	County	No. of Linacs	Utilization	No. of Linacs	Utilization	No. of Linacs	Utilization	% Guidelines for Growth Utilization Std
Baptist Memorial Hospital-Memphis **	Shelby	3		3		4		
Patients			713		701		635	
Treatments			11,352		10,989		11,431	48%
Methodist Healthcare - University Hospital	Shelby	3		3		3		
Patients			605		N/A		N/A	
Treatments			15,196		21,287		21,049	117%
The Med	Shelby	1		1		0		
Patients			159		84		0	
Treatments			2,935		87		0	0%
St Francis	Shelby	2		2		2		
Patients			513		N/A		N/A	
Treatments			7,278		7,508		7,576	63%
St Jude	Shelby	2		2		2		
Patients			239		203		231	
Treatments			6,473		5,789		4,800	40%
Uni. Of TN Cancer Institute-Bartlett	Shelby	1		1		1		
Patients			NA		??		382	
Treatments			5,513		7,365		5,270	88%
Memphis Regional Gamma Knife Center **						1		
Patients								
Treatments							180	3%
Total		12		12		13		
Patients								
Treatments			48,747		53,025		50,306	

** NOTE: Includes data for cyberknife/gamma knife in 2011

PET AND PET/CT UTILIZATION

The annual utilization of all PET & PET/CT within the applicant's declared service area for the three previously reported years below.

	Location	2009	2009	2010	2010	2011	2011	2011
	County	No. of PETs & PET/CTs	Utilization	No. of PETs & PET/CTs	Utilization	No. of PETs & PET/CTs	Utilization	% Guidelines for Growth Utilization Std
Baptist Memorial Hospital - Memphis	Shelby	1		1		1		
Patients			762		602			
Procedures			854		683		1,060	66%
Central Memphis Regional PET Imaging Center LLC	Shelby	1		1		1		
Patients								
Procedures							*	*
East Memphis PET Imaging Center LLC	Shelby	1		1		1		
Patients								
Procedures			657		582		543	34%
Methodist Healthcare - University Hospital	Shelby	1		1		1		
Patients								
Procedures			914		784		880	55%
St Jude	Shelby	1		1		1		
Patients								
Procedures			831		852		805	50%
Univ. of TN Cancer Institute - Germantown	Shelby	1		1		1		
Patients								
Procedures			1,170		1,142		891	56%
The West Clinic	Shelby	1		1		1		
Patients								
Procedures			1,822		1,367		2,043	128%
Total								
Patients								
Procedures			6,248		5,410		6,222	

Architect Letter and Equipment Quotes

Economic Feasibility 1

November 12, 2012

Ms. Melanie Hill
Executive Director
Tennessee Health Services and Development Agency
8th Floor – Andrew Jackson Building, Suite 850
Nashville, TN 37242

**RE: MODIFICATION OF CN1105-018A
BAPTIST CENTER FOR CANCER CARE
BAPTIST MEMORIAL HOSPITAL – TIPTON**

Dear Ms. Hill:

This letter will affirm that to the best of our knowledge, the design intended for the construction of the referenced facility will be in accordance with the following primary codes and standards. This listing may not be entirely inclusive but the intent is for all applicable codes and standards, State or Local, to be addressed during the design process.

- AIA Guidelines for the Design and Construction of Healthcare Facilities
- Standard Building Code (current edition enforced at the time of plan submission)
- Standard Mechanical Code
- Standard Plumbing Code
- Standard Gas Code
- NFPA Life Safety Code
- Rules of Tennessee Department of Health and Environment Board for Licensing Healthcare Facilities
- Americans with Disabilities Act
- North Carolina Handicap Code

Thank you.

Sincerely,

EARL SWENSSON ASSOCIATES, INC.



Harold D. Petty, AIA
Director of Medical Design/Principal

November 12, 2012

Ms. Melanie Hill
Executive Director
Tennessee Health Services and Development Agency
8th Floor – Andrew Jackson Building, Suite 850
Nashville, TN 37242

**RE: MODIFICATION OF CN1105-018A
BAPTIST CENTER FOR CANCER CARE
BAPTIST MEMORIAL HOSPITAL – TIPTON**


Dear Ms. Hill:

This letter will denote that ESa has reviewed the site preparation and construction costs indicated as \$1,111,695 and \$33,605,000 for the referenced project and find the costs to be reasonable for the described scope of work. The construction costs have considered recent market conditions and inflation projections. We have also estimated Architectural and Engineering fees of \$2,737,942 for the project.

Thank you.

Sincerely,

EARL SWENSSON ASSOCIATES, INC.



Harold D. Petty, AIA
Director of Medical Design/Principal

Quotation For:

Ric Ransom
Baptist Centers for Cancer Care
Radiation Oncology Center
55 Humphreys Center Drive
Suite 100
Memphis, TN 38120
(901) 226 - 0340 FAX: () -

Please address inquiries and replies to:

Mark Zawodny
Varian Medical Systems
2250 Newmarket Parkway
Suite 120
Marietta, GA 30067
(770) 955 - 1367 FAX: (678) 255 - 3850
mark.zawodny@varian.com

<i>Your Reference:</i>	<i>Quotation Firm Until:</i> June 1, 2012
<i>FOB Point:</i> US1 FOB: Origin Inc. Freight & Ins.	<i>Shipping Allocation:</i> 1 Year ARO
<i>Payment Terms:</i>	Varian Terms and Conditions of Sale 1652U Attached

TrueBeam STx - Stereotactic System
RapidArc Planning
Rapidarc Ops

<p>Baptist Centers for Cancer Care</p> <p>Quotation Total of: USD \$4,247,820 Accepted by:</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>For this purchase, we designate <u>NOVATION</u> as our Institution's Primary Group Purchasing Organization affiliation. Any change will be indicated below:</p> <p> <input type="checkbox"/> AmeriNet <input type="checkbox"/> Aptium <input type="checkbox"/> BJC <input type="checkbox"/> Broadlane <input type="checkbox"/> CHW <input type="checkbox"/> Consorta/HPG <input type="checkbox"/> KP Select <input type="checkbox"/> Magnet <input type="checkbox"/> Matrix <input type="checkbox"/> MedAssets <input type="checkbox"/> Novation <input type="checkbox"/> Premier <input type="checkbox"/> ROI <input type="checkbox"/> USO <input type="checkbox"/> VA Gov <input type="checkbox"/> None </p>	<p>Varian Medical Systems</p> <p>Submitted by:</p> <p>_____</p> <p>(Signature)</p> <p>Name: Mark Zawodny</p> <p>Title: District Manager</p> <p>Date: March 1, 2012</p>
--	---

This document is confidential and intended solely for the information and benefit of the immediate recipient and Varian

Item	Qty	Product Description	Offer Price
Section 1 TrueBeam STx - Stereotactic System			

1.01	1	TrueBeam STx Package	4,097,378.00
1.02	1	TrueBeam STx System TrueBeam STx System	Included

Premium performance image-guided radiosurgery system

FEATURES:

- Performance per RAD 10094
- High speed, real time network control
- Synchronous, high precision motion, imaging, and dose trajectory management
- Patented variable beam energy generation
- Dual independent jaw collimator system, supporting dynamic jaw tracking and dynamic collimator rotation
- Enhanced dynamic wedge
- Electronic Accessory Detection and Verification system
- Treatment couch base with sub-millimetric positioning accuracy to isocenter
- LaserGuard II system, a laser protection zone-based proximity sensor that is used to alert the user of system proximity to the patient, associated immobilization devices, and to other parts of the system and limit motion if necessary
- Full remote motion control with software-selectable motion axis disable
- Autofield sequencing and full treatment delivery automation
- Radiation-hardened digital CCTV camera system for patient and motion monitoring
- 3D motion monitoring and touch detector systems
- Integrated controls with visual action prompts
- Two 27 inch monitors for treatment room viewing of system and patient information
- Soft light illumination and decorative curtain wall design elements
- Two 21 inch high performance monitors
- Integrated audio system, including intercom, respiration coaching, input for music
- Low profile console packaging with optional small footprint stacking
- Software-selectable IEC 601 and IEC 1217 scale convention
- Basic quality assurance and performance test kit, including front pointer set and collimator crosshair
- Standard spare parts
- Smart connect remote access ready
- One (1) year full warranty
- Shipping (Shipment is pending regulatory clearance of this product in the ship-to country. Lead times after receipt of order may vary greatly by country.)

NOTE: The TrueBeam STx only supports IEC 601 or IEC 1217 scales. Conical collimator accessories (sometimes called "cones") must not be used for treating patients on this device without also using the Barcode Conical Collimator Verification (BCCV) product. Failure to use BCCV with conical collimators may result in serious injury or death due to a lack of verification that the correct conical collimator and field size for that collimator are in place for that patient's treatment plan.

PHILIPS HEALTHCARE
A division of Philips Electronics North America Corporation
22100 Bothell Everett Highway
P.O. Box 3003
Bothell, Washington 98041-3003

PHILIPS

Quotation #: 1-VX3MTN	Rev: 1	Effective From: 04-May-12	To: 18-Jun-12
Presented To: BAPTIST MEMORIAL HOSPITAL MEMPHIS 6019 WALNUT GROVE RD MEMPHIS, TN 38120 Tel: Alternate Address:		Presented By: Norma Meissner <i>Account Manager</i> Jeff Darby <i>Regional Manager</i> Tel: (901) 496-4391 Fax: Tel: (972) 705-2412 Fax: (972) 705-2447	
Date Printed: 04-May-12			
Submit Orders To: 22100 BOTHELL EVERETT HWY BOTHELL WA 98021 Tel: Fax: (425) 458-0390			

The Service information contained in this Quote is subject to a separate service proposal.

This quotation contains confidential and proprietary information of Philips Healthcare, a division of Philips Electronics North America Corporation ("Philips") and is intended for use only by the customer whose name appears on this quotation. It may not be disclosed to third parties without the prior written consent of Philips.

IMPORTANT NOTICE: Health care providers are reminded that if the transactions herein include or involve a loan or discount (including a rebate or other price reduction), they must fully and accurately report such loan or discount on cost reports or other applicable reports or claims for payment submitted under any federal or state health care program, including but not limited to Medicare and Medicaid, such as may be required by state or federal law, including but not limited to 42 CFR 1001.952(h).

Quote Solution Summary

<u>Line #</u>	<u>Product</u>	<u>Qty</u>	<u>Price</u>
	101417 TruFlight Select PET-CT	1	\$1,526,291.20
Equipment Total:			\$1,526,291.20

Solution Summary Detail

<u>Product</u>	<u>Qty</u>	<u>Each</u>	<u>Monthly</u>	<u>Price</u>
101417 TruFlight Select PET-CT	1	\$1,526,291.20		\$1,526,291.20

SVC0130 Protection POS \$13,018.33

The Service information contained in this Quote is subject to a separate service proposal.

Buying Group: NOVATION

Contract #: XR11032 Pet

Add'l Terms:

Each Quotation solution will reference a specific Buying Group/Contract Number representing an agreement containing discounts, fees and any specific terms and conditions which will apply to that single quoted solution. If no Buying Group/Contract Number is shown, Philips' Terms and Conditions of Sale will apply to the quoted solution.

Each equipment system listed on purchase order/orders represents a separate and distinct financial transaction. We understand and agree that each transaction is to be individually billed and paid.

Payment 0% Down, 80% Shipment, 20% Due When the Product is Available for First Patient Use, Net due 10 days from receipt of invoice

Quote Summary

Qty	Product
1	NNAJ783 TF Select PET-CT
1	NPTB901 TruFlight Local Kit - ENG
1	NPTA945 Automatic Registration Tool
1	NPTB030 Enhanced DICOM Vwr Study Distr
1	NPTB617 ECG Monitor - English
1	FPT0580 Patient Comfort Kit
1	NPTB600 53cm Flat Pallet
1	NPTB040 Kit, Label English RTP
1	989605600371 UPS, 80kVA 60Hz Sm Battery Cabinet
1	989605600221 Floor Pour Kit
1	989605600271 TF Install Pre-Wiring Kit
1	989605600211 GEMINI TF 100 uCi Solid Source
6	989605600151 Point Source Disk, 10UCI, NA-22
1	NCTA015 DICOM Modality Worklist
1	NNMB036 GEMINI System
1	NRTE294 EBW NM Premium
1	NRTE295 PET Review
1	NRTE015 Dual Monitor Configuration EBW
1	NRTE040 EBW NM Local Kit-English

Options

Qty	Product
1	NPTB396 4D Time Of Flight Toolkit
1	989601210007 Medrad Stellant ISI Interface Unit
1	989601210064 MedRad Stellant D CT Injector-OH System

Chief Financial Officer Letter

Economic Feasibility 2(E)

BAPTIST MEMORIAL HEALTH CARE CORPORATION

November 14, 2012

Ms Melanie Hill, Executive Director
Health Services and Development Agency
Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, Tennessee 37243

RE: Baptist Memorial Hospital-Tipton
Baptist Center for Cancer Care

Dear Ms Hill:

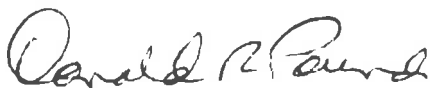
As the Chief Financial Officer of Baptist Memorial Health Care Corporation (BMHCC), I have reviewed the financial statements and requirements in the certificate of need application for the Baptist Center for Cancer Care that has an anticipated cost, for CON purposes, of approximately \$84,900,000. Funds to complete the project as described are available through BMHCC affiliated entities.

The proposed center will be owned and operated by Baptist Memorial Hospital – Tipton that is affiliated with Baptist Memorial Hospital – Memphis which is the current owner and operator of linear accelerators and other related equipment included in the capital cost valuation of the project. From affiliated non-profit entities, resources, including existing equipment and funding will be transferred to Baptist Memorial Hospital – Tipton to complete this project.

Financial statements have been provided for Baptist Memorial Hospital –Tipton that accurately reflect the operations as audited by Deloitte & Touche as part of the combined financial statements of Baptist Memorial Health Care Corporation. Also provided are financial statements demonstrating that Baptist Memorial Hospital – Memphis has the available resources to fund the cancer center project.

Please contact me if you need additional information.

Sincerely,



Donald R. Pounds
Chief Financial Officer

Balance Sheet and Income Statements

Economic Feasibility, 10

BMH-TIPTON
BALANCE SHEET
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009	2008
CURRENT ASSETS:				
Cash and cash equivalents	13,487,760	28,508,385	25,520,121	24,476,274
Patient accounts receivable, net	3,348,466	2,261,519	2,837,186	3,163,079
Other Receivables	476,752	1,203,470	1,254,459	1,203,729
Third party settlements	17,600	11,700	64,990	60,480
Supplies, Inventory and Prepaid	1,324,619	443,233	490,777	529,872
Total current assets	18,655,197	32,428,307	30,167,533	29,433,435
INVESTMENTS				
PROPERTY AND EQUIPMENT, net	31,039	41,666	499,608	281,761
OTHER ASSETS	6,921,161	7,000,156	7,617,139	6,999,598
	0	0	0	0
TOTAL ASSETS	25,607,397	39,470,129	38,284,279	36,714,795
CURRENT LIABILITIES:				
Current portion-long-term debt & CLO	0	0	0	0
Accounts payable	163,915	166,018	161,728	169,303
Due to affiliates	791,842	0	0	0
Third party settlements	350,872	305,638	197,802	71,271
Accrued expenses and other current	1,702,335	886,797	920,468	1,002,965
Total current liabilities	3,008,964	1,358,454	1,279,998	1,243,538
LONG-TERM DEBT and CLO	0	0	0	0
OTHER LONG-TERM LIABILITIES	0	0	0	0
FUND BALANCE (DEFICIT)	22,598,433	38,111,675	37,004,281	35,471,256
TOTAL LIABILITIES & FUND BALANCE	25,607,397	39,470,129	38,284,279	36,714,795

BMH-TIPTON
STATEMENT OF REVENUES AND EXPENSES
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009	2008
UNRESTRICTED REVENUES AND OTHER SUPPORT:				
Net patient service revenue	27,548,715	26,691,795	28,451,277	30,506,036
Other revenue	493,137	463,907	502,756	507,428
Total unrestricted revenues and other support	28,041,852	27,155,702	28,954,033	31,013,464
EXPENSES:				
Salaries and benefits	12,754,920	12,297,694	12,586,840	13,530,057
Supplies	3,236,889	2,563,752	2,896,809	3,028,918
Purchased Services and other	3,501,673	3,785,003	3,948,613	5,127,713
Management fees	2,956,500	2,705,316	2,659,764	2,591,592
Professional fees	179,378	262,055	240,794	222,648
Depreciation and amortization	1,087,257	1,149,973	1,098,512	1,158,604
Interest	0	0	0	0
Provision for bad debts	4,999,014	4,604,932	4,713,416	5,288,107
Total Expenses	28,715,631	27,368,724	28,144,748	30,947,640
NONOPERATING INCOME(EXPENSE):				
	1,752,126	1,088,783	334,211	598,077
REVENUES IN EXCESS OF EXPENSES				
	1,078,346	875,761	1,143,497	663,901

BMH-MEMPHIS
BALANCE SHEET
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009	2008
CURRENT ASSETS:				
Cash and cash equivalents	186,084,744	217,083,811	171,275,016	112,905,507
Patient accounts receivable, net	66,983,817	64,083,110	58,279,655	61,611,658
Other Receivables	15,210,227	15,191,387	14,305,077	12,664,414
Third party settlements	3,970,657	5,591,661	9,821,014	2,609,069
Supplies, Inventory and Prepaid	16,342,975	15,702,762	16,559,835	14,850,885
Total current assets	<u>288,592,420</u>	<u>317,652,731</u>	<u>270,240,596</u>	<u>204,641,533</u>
INVESTMENTS	732,471	597,424	3,421,677	2,316,915
PROPERTY AND EQUIPMENT, net	<u>197,690,647</u>	<u>199,796,666</u>	<u>209,555,994</u>	<u>211,242,758</u>
OTHER ASSETS	<u>115,813,276</u>	<u>129,261,495</u>	<u>138,340,478</u>	<u>150,128,204</u>
TOTAL ASSETS	<u><u>602,828,814</u></u>	<u><u>647,308,316</u></u>	<u><u>621,558,745</u></u>	<u><u>568,329,410</u></u>
CURRENT LIABILITIES:				
Current portion-long-term debt & CLO	15,235,000	14,630,000	13,640,000	12,775,000
Accounts payable	7,614,319	18,973,275	7,252,048	8,822,098
Due to affiliates	(1,713,670)	1,987,007	8,180,134	(9,835,959)
Third party settlements	4,591,585	2,391,096	2,391,096	6,002,218
Accrued expenses and other current	26,595,006	22,006,973	21,139,175	21,399,262
Total current liabilities	<u>52,322,240</u>	<u>59,988,351</u>	<u>52,602,453</u>	<u>39,162,618</u>
LONG-TERM DEBT and CLO	131,872,732	147,322,892	159,780,000	173,420,000
POST RETIREMENT BENEFIT OBLIGATION	30,324,823	29,918,325	31,959,438	27,630,967
OTHER LONG-TERM LIABILITIES	2,138,048	2,170,941	2,203,834	2,236,727
FUND BALANCE (DEFICIT)	<u>386,170,972</u>	<u>407,907,808</u>	<u>375,013,020</u>	<u>325,879,098</u>
TOTAL LIABILITIES & FUND BALANCE	<u><u>602,828,814</u></u>	<u><u>647,308,316</u></u>	<u><u>621,558,745</u></u>	<u><u>568,329,410</u></u>

BMH-MEMPHIS
STATEMENT OF REVENUES AND EXPENSES
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009	2008
UNRESTRICTED REVENUES AND OTHER SUPPORT:				
Net patient service revenue	498,881,984	497,462,698	504,893,566	478,580,293
Other revenue	15,453,287	16,137,294	14,045,914	14,462,669
Total unrestricted revenues and other support	514,335,271	513,599,992	518,939,481	493,042,962
EXPENSES:				
Salaries and benefits	196,939,281	188,488,524	188,995,399	189,740,832
Supplies	130,154,044	127,655,043	130,515,438	124,247,206
Purchased Services and other	28,290,078	28,294,088	29,807,439	34,194,663
Management fees	48,849,348	44,558,976	42,187,353	43,849,019
Professional fees	22,407,905	20,595,504	19,217,441	18,813,225
Depreciation and amortization	23,906,837	22,969,303	23,103,058	23,471,138
Interest	952,715	908,476	128,800	1,119,466
Provision for bad debts	48,833,577	41,616,620	40,386,119	36,760,672
Total Expenses	500,333,785	475,086,533	474,341,046	472,196,221
NONOPERATING INCOME(EXPENSE):				
	9,785,270	4,770,296	(186,094)	(233,444)
REVENUES IN EXCESS OF EXPENSES	23,786,756	43,283,754	44,412,340	20,613,297



Deloitte & Touche LLP
100 Peabody Place
Suite 800
Memphis, TN 38103-0830
USA

Tel: +1 901 322 6700
Fax: +1 901 322 6799
www.deloitte.com

December 20, 2011

The Boards of Directors
Baptist Memorial Health Care Corporation and Affiliates
350 North Humphreys Boulevard
Memphis, Tennessee 38120

As set forth in our independent auditors' reports dated December 20, 2011, we have audited the combined financial statements of Baptist Memorial Health Care Corporation and the separate financial statements of certain affiliates (see Exhibit I) as of and for the year ended September 30, 2011. The objective of our audits was to express an opinion on those financial statements and, accordingly, we performed no procedures directed toward performing a separate financial statement audit of other affiliates of Baptist Memorial Health Care Corporation.

In connection with our audits, we advise you that:

1. We are independent under the requirements of the American Institute of Certified Public Accountants with respect to Baptist Memorial Health Care Corporation and its affiliates.
2. We expressed unqualified auditors' opinions on the financial statements of the entities referred to above.

We have not audited any financial statements of Baptist Memorial Health Care Corporation and its affiliates subsequent to September 30, 2011, or performed any audit procedures subsequent to the dates of our reports.

Deloitte & Touche LLP

EXHIBIT I

Certain affiliates of Baptist Memorial Health Care Corporation whose separate financial statements as of and for the year ended September 30, 2011 were audited by Deloitte & Touche LLP:

- Baptist Memorial College of Health Sciences
- Baptist Memorial Health Care Foundation
- Baptist Memorial Hospital — Union County

License

Orderly Development 7 (c)

Board for Licensing Health Care Facilities

State of Tennessee



No. of Beds 0000000117
0100

DEPARTMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to

BAPTIST MEMORIAL HOSPITAL-TIPTON

to conduct and maintain a

Hospital

BAPTIST MEMORIAL HOSPITAL - TIPTON

Located at

1985 HIGHWAY 51 SOUTH, COVINGTON

County of

TIPTON

, Tennessee.

This license shall expire

JUNE 30

, 2012, and is subject

to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferrable, and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the laws of the State of Tennessee or the rules and regulations of the State Department of Health issued hereunder.

We, Thomas Wherry, do hereunto set our hand and seal of the State this 1ST day of JULY, 2011.
*We the District Secretary(ies) of: GENERAL HOSPITAL
PEDIATRIC BASIC HOSPITAL*

By W. J. A. M. H.
DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By Howard Cooper HSO, MD
COMMISSIONER

Board for Licensing Health Care Facilities

State of Tennessee



No. of Beds 0000000117
0100

DEPARTMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to
BAPTIST MEMORIAL HOSPITAL-TIPTON *to conduct and maintain a*

Hospital

BAPTIST MEMORIAL HOSPITAL - TIPTON

Located at

1995 HIGHWAY 51 SOUTH, COVINGTON

County of

TIPTON

, Tennessee.

This license shall expire

FEBRUARY 04

, 2013, and is subject

to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferable, and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the laws of the State of Tennessee or the rules and regulations of the State Department of Health issued thereunder.

In Witness Whereof, we have hereunto set our hand and seal of the State this 1ST *day of* JULY, 2012.
In the Official Registry (ies) of: GENERAL HOSPITAL
PEDIATRIC BASIC HOSPITAL



By James J. Davis, MPH

DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By John A. Davis
COMMISSIONER



Accreditation Quality Report

- > Summary of Accreditation Quality Information
- > Accredited Programs
- > Accreditation National Patient Safety Goals
- > Sites and Services
- > Accreditation History
- > Download Accreditation PDF Report
- > Download Accreditation PDF Report - Include Quarterly Data
- > Accreditation Quality Report User Guide
- > Organization's Commentary

Symbol Key

- This organization achieved the best possible results
- This organization's performance is above the target range/value.
- This organization's performance is similar to the target range/value.
- This organization's performance is below the target range/value.
- This measure is not applicable for this organization.
- Not displayed

Footnote Key

1. The measure or measure set was not reported.
2. The measure set does not have an overall result.
3. The number of patients is not enough for comparison purposes.
4. The measure meets the Privacy Disclosure

Quality Report

Summary of Accreditation Quality Information

Accreditation Programs	Accreditation Decision	Effective Date	Last Full Survey Date	Last On-Site Survey Date
Hospital	Accredited	8/15/2009	8/2/2012	8/2/2012
Pathology and Clinical Laboratory	Accredited	7/25/2012	7/24/2012	7/24/2012

Accreditation programs recognized by the Centers for Medicare and Medicaid Services (CMS)

Pathology and Clinical Laboratory
Hospital

- Top -

National Patient Safety Goals and National Quality Improvement Goals

Compared to other Joint Commission Accredited Organizations

		Nationwide	Statewide
Hospital			
2009 National Patient Safety Goals	See Detail		*
National Quality Improvement Goals:			
Heart Failure Care	See Detail	3	3
Perinatal Care	See Detail	10	10
Pneumonia Care	See Detail		
Surgical Care Improvement Project (SCIP)			
SCIP - Cardiac	See Detail		
SCIP - Infection Prevention For All Reported Procedures:	See Detail		
• Colon/Large Intestine Surgery	See Detail	3	3
• Hysterectomy	See Detail		
SCIP - Venous Thromboembolism (VTE)	See Detail		

- Threshold rule.
5. The organization scored above 90% but was below most other organizations.
 6. The measure results are not statistically valid.
 7. The measure results are based on a sample of patients.
 8. The number of months with measure data is below the reporting requirement.
 9. The measure results are temporarily suppressed pending resubmission of updated data.
 10. Test Measure: a measure being evaluated for reliability of the individual data elements or awaiting National Quality Forum Endorsement.

Pathology and Clinical Laboratory

- Top -

Sites and Services

* Primary Location

An organization may provide services not listed here. For more information refer to the Quality Report User Guide .

Locations of Care

Baptist Memorial Hospital -
Tipton *
1995 Highway 51 South
Covington, TN 38019

Available Services

- CT Scanner (Imaging/Diagnostic Services)
- EEG/EKG/EMG Lab (Imaging/Diagnostic Services)
- Gastroenterology (Surgical Services)
- General Laboratory Tests
- GI or Endoscopy Lab (Imaging/Diagnostic Services)
- Gynecological Surgery (Surgical Services)
- Gynecology (Inpatient)
- Labor & Delivery (Inpatient)
- Magnetic Resonance Imaging (Imaging/Diagnostic Services)
- Medical /Surgical Unit (Inpatient)
- Medical ICU (Intensive Care Unit)
- Normal Newborn Nursery (Inpatient)
- Nuclear Medicine (Imaging/Diagnostic Services)
- Orthopedic Surgery (Surgical Services)
- Post Anesthesia Care Unit (PACU) (Inpatient)
- Sleep Laboratory (Sleep Laboratory)
- Surgical ICU (Intensive Care Unit)
- Surgical Unit (Inpatient)
- Toxicology
- Ultrasound (Imaging/Diagnostic Services)

Baptist Tipton Rehabilitation
100 Peeler Road
Covington, TN 38019

- Outpatient Clinics (Outpatient)

BMH Tipton at FCC Walnut Grove
6029 Walnut Grove Rd; Suite 301
Memphis, TN 38120

- Administration of High Risk Medications (Outpatient)
- Outpatient Clinics (Outpatient)

BMH Tipton at Integrity Briarcrest
9286 Briarcrest Avenue
Memphis, TN 38120

- Administration of High Risk Medications (Outpatient)
- Outpatient Clinics (Outpatient)

BMH Tipton at Integrity Collierville
1936 West Poplar
Collierville, TN 38017

- Administration of High Risk Medications (Outpatient)
- Outpatient Clinics (Outpatient)

BMH Tipton at Kate Bond FCC and UTCI
2996 Kate Bond Rd S/100 & 207
Bartlett, TN 38133

- Administration of High Risk Medications (Outpatient)
- Outpatient Clinics (Outpatient)

BMH Tipton at UTCI Wolf River
7945 Wolf River Blvd,
Germantown, TN 38138

- Administration of High Risk Medications (Outpatient)
- Outpatient Clinics (Outpatient)

- Top -

Survey of Patients' Hospital Experiences (see details)

2012 National Patient Safety Goals

See Detail



*

Hospitals voluntarily participate in the Survey of Patients' Hospital Experiences (HCAHPS). Pediatric and psychiatric hospitals are not eligible to participate in the HCAHPS survey based on their patient population.



The Joint Commission only reports measures endorsed by the National Quality Forum.

* State results are not calculated for the National Patient Safety Goals.

The Joint Commission obtains information about accredited/certified organizations not only through direct observations by its

State Survey/Inspection

Orderly Development 7 (d)

Joint Commission

BMH – Tipton



February 2, 2010

Skipper Bondurant
CEO/Administrator
Baptist Memorial Hospital - Tipton
1995 Highway 51 South
Covington, TN 38019

Joint Commission ID #: 7823
Program: Hospital Accreditation
Accreditation Activity: Measure of Success
Accreditation Activity Completed: 02/02 2010

Dear Mr. Bondurant:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high-quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

The Joint Commission is granting your organization an accreditation decision of Accredited for all services surveyed under the applicable manual(s) noted below:

- Comprehensive Accreditation Manual for Hospitals

This accreditation cycle is effective beginning August 15, 2009. The Joint Commission reserves the right to shorten or lengthen the duration of the cycle; however, the certificate and cycle are customarily valid for up to 39 months.

Please visit Quality Check® on The Joint Commission web site for updated information related to your accreditation decision.

We encourage you to share this accreditation decision with your organization's appropriate staff, leadership, and governing body. You may also want to inform the Centers for Medicare and Medicaid Services (CMS), state or regional regulatory services, and the public you serve of your organization's accreditation decision.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Sincerely,

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations



October 9, 2009

Skipper Bondurant
CEO/Administrator
Baptist Memorial Hospital - Tipton
1995 Highway 51 South
Covington, TN 38019

Joint Commission ID #: 7823
Program: Hospital Accreditation
Accreditation Activity: 60-day Evidence of
Standards Compliance
Accreditation Activity Completed: 10/09/2009

Dear Mr. Bondurant:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high-quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

The Joint Commission is granting your organization an accreditation decision of Accredited for all services surveyed under the applicable manual(s) noted below:

- Comprehensive Accreditation Manual for Hospitals

This accreditation cycle is effective beginning August 15, 2009. The Joint Commission reserves the right to shorten or lengthen the duration of the cycle; however, the certificate and cycle are customarily valid for up to 39 months.

Please visit Quality Check® on The Joint Commission web site for updated information related to your accreditation decision.

We encourage you to share this accreditation decision with your organization's appropriate staff, leadership, and governing body. You may also want to inform the Centers for Medicare and Medicaid Services (CMS), state or regional regulatory services, and the public you serve of your organization's accreditation decision.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Sincerely,

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations



August 18, 2009

Skipper Bondurant
CEO/Administrator
Baptist Memorial Hospital - Tipton
1995 Highway 51 South
Covington, TN 38019

Joint Commission ID #: 7823
Program: Hospital Accreditation
Accreditation Activity: Unannounced Full
Event
Accreditation Activity Completed:
08/14/2009

Dear Mr. Bondurant:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high - quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

With that goal in mind, your organization received Requirement(s) for Improvement during its recent survey. These requirements have been summarized in the Accreditation Report provided by the survey team that visited your organization.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Please visit [Quality Check®](#) on The Joint Commission web site for updated information related to your accreditation decision.

Sincerely,

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations



Baptist Memorial Hospital - Tipton
1995 Highway 51 South
Covington, TN 38019

Organization Identification Number: 7823

Program(s)

Hospital Accreditation

Surveyor(s) and Survey Date(s)

Daniel H. Booth, MD - (08/11 - 08/14/2009)

Philip H. Larson, CHFM - (08/12 - 08/12/2009)

Executive Summary

Hospital Accreditation : As a result of the accreditation activity conducted on the above date(s), Requirements for Improvement have been identified in your report.

You will have follow-up in the area(s) indicated below:

- Evidence of Standards Compliance (ESC)

If you have any questions, please do not hesitate to contact your Account Representative.

Thank you for collaborating with The Joint Commission to improve the safety and quality of care provided to patients.

The Joint Commission Summary of Findings

Evidence of DIRECT Impact Standards Compliance is due within 45 days from the day this report is posted to your organization's extranet site:

Program:	Hospital Accreditation Program	
Standards:	IC.02.02.01	EP2
	MM.05.01.09	EP4

Evidence of INDIRECT Impact Standards Compliance is due within 60 days from the day this report is posted to your organization's extranet site:

Program:	Hospital Accreditation Program	
Standards:	EC.02.05.07	EP2
	EC.02.05.09	EP3
	LS.02.01.10	EP4,EP9

**The Joint Commission
Summary of CMS Findings**

CoP: §482.41 **Tag:** A-0700 **Deficiency:** Standard

Corresponds to: HAP

Text: §482.41 Condition of Participation: Physical Environment

The hospital must be constructed, arranged, and maintained to ensure the safety of the patient, and to provide facilities for diagnosis and treatment and for special hospital services appropriate to the needs of the community.

CoP Standard	Tag	Corresponds to	Deficiency
§482.41(b)(4)	A-0711	HAP - EC.02.05.07/EP2	Standard
§482.41(b)(1)(i)	A-0710	HAP - LS.02.01.10/EP9	Standard

The Joint Commission Findings

Chapter: Environment of Care
Program: Hospital Accreditation
Standard: EC.02.05.07

ESC 60 days

Standard Text: The hospital inspects, tests, and maintains emergency power systems.
 Note: This standard does not require hospitals to have the types of emergency power equipment discussed below. However, if these types of equipment exist within the building, then the following maintenance, testing, and inspection requirements apply.

Primary Priority Focus Area: Patient Safety

Element(s) of Performance:

2. Every 12 months, the hospital either performs a functional test of battery-powered lights required for egress for a duration of 1 1/2 hours; or the hospital replaces all batteries every 12 months and, during replacement, performs a random test of 10% of all batteries for 1 1/2 hours. The completion date of the tests is documented.



Scoring Category : C

Score : Insufficient Compliance

Observation(s):

EP 2

§482.41(b)(4) - (A-0711) - (4) Beginning March 13, 2006, a hospital must be in compliance with Chapter 19.2.9, Emergency Lighting.

This Standard is NOT MET as evidenced by:

Observed in Document Review at Baptist Memorial Hospital - Tipton site.

No documentation was available to show that emergency power light number one was tested annually as required.

Hospital indicated that they changed batteries annually and tested in excess of 10% of lights but that documentation was at Corporate due to installation of new work order system.

Observed in Document Review at Baptist Memorial Hospital - Tipton site.

No documentation was available to show that emergency power light number two was tested annually as required.

Hospital indicated that they changed batteries annually and tested in excess of 10% of lights but that documentation was at Corporate due to installation of new work order system.

Observed in Document Review at Baptist Memorial Hospital - Tipton site.

No documentation was available to show that emergency power light's number three through twenty three were tested annually as required. Hospital indicated that they changed batteries annually and tested in excess of 10% of lights but that documentation was at Corporate due to installation of new work order system.

Chapter: Environment of Care
Program: Hospital Accreditation
Standard: EC.02.05.09

ESC 60 days

Standard Text: The hospital inspects, tests, and maintains medical gas and vacuum systems.
 Note: This standard does not require hospitals to have the medical gas and vacuum systems discussed below. However, if a hospital has these types of systems, then the following inspection, testing, and maintenance requirements apply.

Primary Priority Focus Area: Patient Safety

The Joint Commission Findings

Element(s) of Performance:

3. The hospital makes main supply valves and area shutoff valves for piped medical gas and vacuum systems accessible and clearly identifies what the valves control.



Scoring Category : A

Score : Insufficient Compliance

Observation(s):

EP 3

Observed in Building Tour Second Floor at Baptist Memorial Hospital -Tipton site.

On the second floor nurses station medical gas valves had shredder boxes with printers on top of them in front of medical gas zone valves. This arrangement was blocking the accessibility to the zone valves.

Chapter:

Infection Prevention and Control

Program:

Hospital Accreditation

Standard:

IC.02.02.01

ESC 45 days

Standard Text:

The hospital reduces the risk of infections associated with medical equipment, devices, and supplies

Primary Priority Focus Area: Infection Control

Element(s) of Performance:

2. The hospital implements infection prevention and control activities when doing the following: Sterilizing medical equipment, devices, and supplies. (See also EC.02.04.03, EP 4)



Scoring Category : A

Score : Insufficient Compliance

Observation(s):

EP 2

Observed in the operating room at Baptist Memorial Hospital -Tipton site.

A Condition of Participation does not apply to this observation.

The log of an autoclave in a substerile room of the O.R. suite showed that it was being routinely used to sterilize instrument sets for cataract surgery. The hospital is currently in the process of purchasing additional instrument sets to allow such sets to be sent to central sterile processing for full cycle sterilization.

Observed in the operating room at Baptist Memorial Hospital -Tipton site.

A Condition of Participation does not apply to this observation.

A review of the log from a second autoclave in the operating room suite showed that it was being used routinely to sterilize instrument sets for several different orthopedic procedures and for general surgery procedures. The hospital has started purchasing additional instrument sets so that they can be sent to central sterile processing for the normal complete sterilization cycle.

Chapter:

Life Safety

Program:

Hospital Accreditation

Standard:

LS.02.01.10

ESC 60 days

Standard Text:

Building and fire protection features are designed and maintained to minimize the effects of fire, smoke, and heat.

Organization Identification Number: 7823

Page 5 of 8

The Joint Commission Findings

Primary Priority Focus Area: Patient Safety

Element(s) of Performance:

4. Openings in 2-hour fire-rated walls are fire-rated for 1 1/2 hours. (See also LS.02.01.20, EP 3; LS.02.01.34, EP 2) (For full text and any exceptions, refer to NFPA 101-2000: 8.2.3.2.3.1)



Scoring Category : A

Score : Insufficient Compliance

9. The space around pipes, conduits, bus ducts, cables, wires, air ducts, or pneumatic tubes that penetrate fire-rated walls and floors are protected with an approved fire-rated material.

Note: Polyurethane expanding foam is not an accepted fire-rated material for this purpose. (For full text and any exceptions, refer to NFPA 101-2000: 8.2.3.2.4.2)



Scoring Category : C

Score : Insufficient Compliance

Observation(s):

The Joint Commission Findings

EP 4

§482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes.

This Standard is NOT MET as evidenced by:

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Door and Frame on the second floor near room 224 had rating which was not able to be determined. This location had a dot on one door but not on both and no documentation was available to indicate what the dot indicated for rating. None of the frames on the second floor fire walls contained labels as to there rating.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Fire Door Frame on the second floor near room 68 had rating which was not readable.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Door and Frame on the second floor near room 110 had rating which was not able to be determined. This location had a dot on one door but not on both and no documentation was available to indicate what the dot indicated for rating. None of the frames at the second floor fire door locations contained labels as to there fire rating.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Door and Frame on the second floor near room 248 had rating which was not able to be determined. This location had a dot on one door but not on both and no documentation was available to indicate what the dot indicated for rating. None of the frames at the second floor fire door locations contained labels as to there fire rating.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

1st and 2nd floor has doors and frames that have had there rating labels removed and or made un-identifiable.

Observed in Building Tour Second Floor at Baptist Memorial Hospital -Tipton site.

Stairwell Door Frame located on the second floor near room 201 had label which was painted making it difficult to read.

Observed in Building Tour Second Floor at Baptist Memorial Hospital -Tipton site.

On the second floor 2 west south stair well exit door was not labeled.

Observed in Building Tour Second Floor at Baptist Memorial Hospital - Tipton site.

First Floor North Administration wing exit stair well door was not labeled.

EP 9

§482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes.

This Standard is NOT MET as evidenced by:

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Organization Identification Number: 7823

Page 7 of 8

The Joint Commission Findings

2" penetration was located above doors in one hour wall near room 224 on the second floor. This was corrected at time of survey.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Exit stair tower near room 247 had 1" penetration above door to stair tower. This was corrected at time of survey.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

2" penetration was located above doors in one hour wall near room 210 on the second floor. This was corrected at time of survey.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Open penetration was located above doors in one hour wall near room 68 on the second floor. This was corrected at time of survey.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

2" penetration was located above doors in one hour wall near materials management on the first floor. This was corrected at time of survey.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Open penetration was located above doors in one hour at entrance to materials management store room. This was corrected at time of survey.

Chapter: Medication Management

Program: Hospital Accreditation

Standard: MM.05.01.09

ESC 45 days

Standard Text: Medications are labeled.

Primary Priority Focus Area: Medication Management

Element(s) of Performance:

4. All medications prepared in the hospital are correctly labeled with the following:
Expiration date when not used within 24 hours.



Scoring Category : A

Score : Insufficient Compliance

Observation(s):

EP 4

Observed in the 2 East nursing unit at Baptist Memorial Hospital -Tipton site.
An antibiotic IV admixture was found in the refrigerator in the medication room. It had been prepared several days before the survey. There was no expiration date on this medication.

Observed in the 2 East nursing unit at Baptist Memorial Hospital -Tipton site.
A second IV medication that had been prepared several days before the survey was found in the unit's medication refrigerator with no expiration date.



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

February 17, 2009

Mr. Barry Bondurant, Administrator
BMH - Tipton
1995 Hwy 51 S
Covington, TN 38019

RE: Licensure Survey

Dear Mr. Bondurant:

We are pleased to advise you that no deficiencies were cited as a result of the licensure survey completed at your facility on **February 2, 2009**. The attached form is for your files.

If this office may be of any assistance to you, please do not hesitate to call (731) 421-5113.

Sincerely,

Celia Skelley

Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CES/TJW

Enclosure

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		X(1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TNP531117		X(2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		X(3) DATE SURVEY COMPLETED 02/02/2009	
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL TIPTON				STREET ADDRESS CITY STATE ZIP CODE 1905 HIGHWAY 51 S COVINGTON, TN 38019			
(X4) ID PREFIX TAG		SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)		ID PREFIX TAG		PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	
H 002		1200-8-1 No Deficiencies This facility complies with all requirements for participation reviewed for Acute Hospitals during the annual licensure survey on 2/2/09. No deficiencies were cited.		H 002			

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

STATE FORM

1MR611

If continuation sheet 1 of 1



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

February 17, 2009

Mr. Barry Bondurant, Administrator
BMH - Tipton
1995 Hwy 51 S
Covington, TN 38019

RE: PECU Licensure Survey

Dear Mr. Bondurant:

We are pleased to advise you that no deficiencies were cited as a result of the licensure survey conducted at your facility on **February 2, 2009**. The attached form is for your files.

If this office may be of any assistance to you, please do not hesitate to call (731) 421-5113.

Sincerely,

A handwritten signature in cursive script that reads "Celia Skelley".

Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CES/TJW

Enclosure

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER TNP531117	X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		X3) DATE SURVEY COMPLETED 02/02/2009
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL TIPTON		STREET ADDRESS CITY STATE ZIP CODE 1995 HIGHWAY 51 S COVINGTON, TN 38019			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)		ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
P 002	1200-8-30 No Deficiencies This facility complies with all requirements for participation reviewed for BASIC Pediatric Emergency Care Facilities during the annual licensure survey on 2/2/09.		P 002		

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

STATE FORM

0000

2LR611

If continuation sheet 1 of 1



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

February 9, 2009

Mr. Barry Bondurant, Administrator
BMH Tipton
1995 Hwy 51 S
Covington, TN 38019

RE: Fire Safety Licensure Survey

Dear Mr. Bondurant:

Enclosed is the statement of deficiencies for the fire safety licensure survey completed at your facility on February 3, 2009. Based upon 1200-8-1-.08, you are asked to submit an acceptable plan of correction for achieving compliance with completion dates, and signature 10 days from the date of this letter.

Please address each deficiency separately with positive and specific statements advising this office of a plan of correction that includes acceptable time schedule, which will lead to the correction of the cited deficiencies. Enter on the right side of the State Form, opposite the deficiencies, your planned action to correct the deficiencies and the expected completion date. The completion date can be no longer than 45 days from the day of survey. Before the plan can be considered "acceptable," it must be signed and dated by the administrator

Your plan of correction must contain the following:

- > How the deficiency will be corrected;
- > How the facility will prevent the same deficiency from recurring.
- > The date the deficiency will be corrected;
- > How ongoing compliance will be monitored.

Please be advised that under the disclosure of survey information provisions, the Statement of Deficiencies will be available to the public.

If assistance is needed, please feel free to call me at 731-421-5113.

Sincerely,

Celia Skelley

Celia Skelley, MSN, RN
Public Health Consultant Nurse 2

CS/TW

STATEMENT OF DEFICIENCIES
AND PLAN OF CORRECTION(X1) PROVIDER/SUPPLIER/CLIA
IDENTIFICATION NUMBER

TNP531117

(X2) MULTIPLE CONSTRUCTION

A. BUILDING 77 - BMH-TIPTON /OFF SITE F
B. WING(X3) DATE SURVEY
COMPLETED

02/03/2009

NAME OF PROVIDER OR SUPPLIER

BAPTIST MEMORIAL HOSPITAL TIPTON

STREET ADDRESS, CITY, STATE, ZIP CODE

1995 HIGHWAY 51 S
COVINGTON, TN 38019(X4) ID
PREFIX
TAGSUMMARY STATEMENT OF DEFICIENCIES
(EACH DEFICIENCY MUST BE PRECEDED BY FULL
REGULATORY OR LSC IDENTIFYING INFORMATION)ID
PREFIX
TAGPROVIDER'S PLAN OF CORRECTION
(EACH CORRECTIVE ACTION SHOULD BE
CROSS-REFERENCED TO THE APPROPRIATE
DEFICIENCY)(X5)
COMPLETION
DATE

H 871 1200-8-1-08 (1) Building Standards

(1) The hospital must be constructed, arranged,
and maintained to ensure the safety of the
patient.

This Rule is not met as evidenced by:

Based on observations, it was determined the
facility failed to maintain the electrical system in a
manner that would ensure the safety of the
residents.

The findings included:

Observations during the facility tour on 2/3/09
beginning at 9:00 AM, the following problems
were noted:

1. The East wing on the 2nd floor had 8 of 8
emergency receptacles had white receptacles
with red cover plates over them.
2. Two (2) emergency lights were inoperative in
the kitchen. One outside the dietary office and
one at the male locker room.

H 871

1. Red emergency receptacles
ordered to replace white
plugs. Maintenance will
inspect during monthly
inspections to insure correct
plugs are present.

2/28/09

2. Breaker had been tripped
during floor cleaning and had
not been reset. Breaker was
inspected and found to be in
good order and reset.
Maintenance will continue to
inspect monthly to insure
lights work properly.

2/3/09

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

STATE FORM

TITLE

CEO

(X6) DATE

2/18/09

QVR021

If continuation sheet 1 of



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

February 26, 2009

Mr. Barry Bondurant, Administrator
BMH - Tipton
1995 Hwy 51 S
Covington, TN 38019

RE: Fire Safety Licensure Survey

Dear Mr. Bondurant:

On **February 3, 2009**, a fire safety licensure survey was conducted at your facility. Your plan of correction for this survey has been received and was found to be acceptable.

Thank you for the consideration shown during this survey.

Sincerely,

Celia Skelley/TW

Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CES/TJW



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

March 24, 2009

Mr. Barry Bondurant, Administrator
BMH - Tipton
1995 Hwy 51 S
Covington, TN 38019

Dear Mr. Bondurant:

On March 17, 2009, a surveyor from our office completed a revisit to verify that your facility had achieved and maintained compliance. Based on our revisit, we found that your facility had demonstrated compliance with deficiencies cited on the fire safety licensure survey completed on February 3, 2009.

If this office may be of any assistance to you, please call 731-421-5113.

Sincerely,

Celia Skelley
Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CS/TW

Joint Commission

BMH – Memphis



September 8, 2011

Derick Ziegler
CEO
Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, TN 38120

Joint Commission ID #: 7869
Program: Hospital Accreditation
Accreditation Activity: 45-day Evidence of
Standards Compliance
Accreditation Activity Completed: 08/29/2011

Dear Mr. Ziegler:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high-quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

The Joint Commission is granting your organization an accreditation decision of Accredited for all services surveyed under the applicable manual(s) noted below:

- Comprehensive Accreditation Manual for Hospitals

This accreditation cycle is effective beginning June 11, 2011. The Joint Commission reserves the right to shorten or lengthen the duration of the cycle; however, the certificate and cycle are customarily valid for up to 36 months.

Please visit [Quality Check®](#) on The Joint Commission web site for updated information related to your accreditation decision.

We encourage you to share this accreditation decision with your organization's appropriate staff, leadership, and governing body. You may also want to inform the Centers for Medicare and Medicaid Services (CMS), state or regional regulatory services, and the public you serve of your organization's accreditation decision.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Sincerely,

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations



September 8, 2011

Re: # 7869
CCN: #440048
Program: Hospital
Accreditation Expiration Date: September 11, 2014

Derick Ziegler
CEO
Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, Tennessee 38120

Dear Mr. Ziegler:

This letter confirms that your June 06, 2011 - June 10, 2011 unannounced full resurvey was conducted for the purposes of assessing compliance with the Medicare conditions for hospitals through The Joint Commission's deemed status survey process.

Based upon the submission of your evidence of standards compliance on August 19, 2011 and August 12, 2011, the areas of deficiency listed below have been removed. The Joint Commission is granting your organization an accreditation decision of Accredited with an effective date of June 11, 2011. We congratulate you on your effective resolution of these deficiencies.

§482.11 Condition of Participation: Compliance with Federal, State and Local Laws
§482.23 Condition of Participation: Nursing Services
§482.24 Condition of Participation: Medical Record Services
§482.26 Condition of Participation: Radiologic Services
§482.41 Condition of Participation: Physical Environment

The Joint Commission is also recommending your organization for continued Medicare certification effective June 11, 2011. Please note that the Centers for Medicare and Medicaid Services (CMS) Regional Office (RO) makes the final determination regarding your Medicare participation and the effective date of participation in accordance with the regulations at 42 CFR 489.13. Your organization is encouraged to share a copy of this Medicare recommendation letter with your State Survey Agency.

This recommendation also applies to the following location(s):

Baptist Memorial Hospital
d/b/a Baptist Memorial Hospital - Memphis Campus
6019 Walnut Grove Road, Memphis, TN, 38120

Baptist Memorial Hospital - Collierville Campus
1500 West Poplar, Collierville, TN, 38017

www.jointcommission.org

Headquarters
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
630.792.5000 Voice



Baptist Memorial Hospital for Women Mammography
4545 Poplar Avenue, Memphis, TN, 38117

Baptist Memorial Hospital for Women
6225 Humphreys Blvd., Memphis, TN, 38120

Baptist Rehab
440 Powell Road, Collierville, TN, 38017

Outpatient Rehab East
50 Humphreys Boulevard, Suite 36, Memphis, TN, 38120

Stern Cardiovascular Clinic Outpatient Diagnostics
8060 Wolf River Boulevard, Germantown, TN, 38138

Women's Health Center
50 Humphreys Boulevard, Suite 23, Memphis, TN, 38120

We direct your attention to some important Joint Commission policies. First, your Medicare report is publicly accessible as required by the Joint Commission's agreement with the Centers for Medicare and Medicaid Services. Second, Joint Commission policy requires that you inform us of any changes in the name or ownership of your organization, or health care services you provide.

Sincerely,

Ann Scott Blouin RN, PhD

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations

cc: CMS/Central Office/Survey & Certification Group/Division of Acute Care Services
CMS/Regional Office 4/Survey and Certification Staff



Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, TN 38120

Organization Identification Number: 7869

Evidence of Standards Compliance (45 Day) Submitted: 8/19/2011

Program(s)
Hospital Accreditation

Executive Summary

Hospital Accreditation : As a result of the accreditation activity conducted on the above date(s), there were no Requirements for Improvement identified.
You will have follow-up in the area(s) indicated below:

- Measure of Success (MOS) – A follow-up Measure of Success will occur in four (4) months.

If you have any questions, please do not hesitate to contact your Account Executive.

Thank you for collaborating with The Joint Commission to improve the safety and quality of care provided to patients.

**The Joint Commission
Summary of Compliance**

Program	Standard	Level of Compliance
HAP	IM.02.02.01	Compliant
HAP	LS.01.02.01	Compliant
HAP	MM.04.01.01	Compliant
HAP	TS.03.02.01	Compliant

The Joint Commission Summary of CMS Findings

CoP: §482.23 **Tag:** A-0385 **Deficiency:** Compliant

Corresponds to: HAP

Text: §482.23 Condition of Participation: Nursing Services

The hospital must have an organized nursing service that provides 24-hour nursing services. The nursing services must be furnished or supervised by a registered nurse.

CoP Standard	Tag	Corresponds to	Deficiency
§482.23(c)(2)	A-0406	HAP - MM.04.01.01/EP13	Compliant

CoP: §482.41 **Tag:** A-0700 **Deficiency:** Compliant

Corresponds to: HAP

Text: §482.41 Condition of Participation: Physical Environment

The hospital must be constructed, arranged, and maintained to ensure the safety of the patient, and to provide facilities for diagnosis and treatment and for special hospital services appropriate to the needs of the community.

CoP Standard	Tag	Corresponds to	Deficiency
§482.41(c)(2)	A-0724	HAP - EC.02.03.05/EP19	Compliant



August 29, 2011

Derick Ziegler
CEO
Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, TN 38120

Joint Commission ID #: 7869
Program: Hospital Accreditation
Accreditation Activity: 60-day Evidence of
Standards Compliance
Accreditation Activity Completed:
08/29/2011

Dear Mr. Ziegler:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high - quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

With that goal in mind, your organization received Requirement(s) for Improvement during its recent survey. These requirements have been summarized in the Accreditation Report provided by the survey team that visited your organization.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Please visit [Quality Check®](#) on The Joint Commission web site for updated information related to your accreditation decision.

Sincerely,

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 10/24/2007
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED C 10/17/2007
---	--	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 8019 WALNUT GROVE ROAD MEMPHIS, TN 38120
--	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

A 166	<p>482.13(e)(4)(i) PATIENTS RIGHTS: RESTRAINT OR SECLUSION</p> <p>The use of restraint or seclusion must be in accordance with a written modification of the patient's plan of care.</p> <p>This STANDARD is not met as evidenced by: Based on medical record review, observation and interview, it was determined that the hospital failed to ensure a comprehensive assessment that included a physician assessment to identify medical problems that might be causing behavior changes in the patient had been completed and patient plans of care modified to include the use of restraints for 3 of 3 (Patients #10, 11, and 13) sampled patients with restraints.</p> <p>The findings included:</p> <ol style="list-style-type: none"> 1. Medical record review for patient #10 documented bilateral wrist restraints were applied to the patient on 10/12/07. <p>Observations on 10/16/07 at 1100 revealed bilateral wrist restraints intact on the patient.</p> <p>Review of the patient's most recent plan of care dated 10/12/07 revealed no documentation the plan of care had been modified to include the use of restraints.</p> <ol style="list-style-type: none"> 2. Medical record review for patient # 11 documented the patient was placed in bilateral wrist restraints on 10/7/07 <p>Observations on 10/16/07 at 1130 revealed bilateral wrist restraints intact on the patient</p> <p>Review of the patient's plan of care Continued From page 1 dated 10/16/07 revealed no documentation the care plan had been</p>	A 166	<p>The use of restraint or seclusion must be in accordance with a written modification of the patient's plan of care.</p> <ul style="list-style-type: none"> • Revised existing decision tree (Attachment #1) to direct the appropriate assessment, management, and documentation of the restraint episode. The decision tree includes: <ul style="list-style-type: none"> • Consultation with charge nurse/manager prior to restraint • Notification of House Supervisor for every restraint outside of Critical Care. • Notify Critical Care charge nurse/manager prior to restraints inside Critical Care. • House Supervisor/Charge Nurse/Manager, in conjunction with the bedside nurse, will assure that alternatives have been exhausted and are documented. • House Supervisor/Charge Nurse/Manager, in conjunction with the bedside nurse, will assure that the Plan of Care is updated to reflect the interventions. • House Supervisor/Charge Nurse/Manager will monitor compliance by rounding on all restrained patients daily or every 12 hours depending on the category of restraint. Monitoring will include documentation and the Plan of Care • Physician notification remains inherent within the decision tree. <p>Process Changes:</p> <ul style="list-style-type: none"> • Restraints will no longer be available from Central Supply (CSR) carts on units. • Remove restraints from CSR carts on all the units. • Remove all belts and vests from hospital inventory <p>All requests for a restraint will follow the revised Decision Tree</p>	<p>10/31/07</p> <p>11/20/07</p>
-------	--	-------	--	---------------------------------

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 5018 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	--	----------------------------

A 166

modified to include the use of restraints. There was no documentation of other care plans.

3. Medical record review for patient #13 documented the patient was placed in bilateral wrist restraints on 10/12/07

Observations on 10/16/07 at 1150 revealed bilateral wrist restraints intact on the patient.

Review of the most recent plan of care dated 10/11/07 revealed no documentation the plan of care had been modified to include the use of restraints.

4. During an interview on 10/16/07 at 1155, the Chief Nursing Officer verified the above.

Validate appropriate documentation by:

- House Supervisor/Critical Care and ED charge nurses will ensure that Staff obtain and generate appropriate documents for restraint application:
 - MD notification to obtain order
 - Complete nursing documentation
 - Updates Plan of Care
 - Notification and Education of patient family/significant other

11/20/07

Monitoring

- House Supervisor/Critical Care and ED charge nurses Concurrent monitoring of 100% of the restraint process for completion utilizing the Medical Restraint PI Tool/Restraint Log (Attachment #2).

11/20/07

Education

- Mandatory Educational Skills Fair is being conducted promoting mandatory education on all aspects of the Restraint/Seclusion Policy, new process, alternatives to restraint and monitoring expectations (Attachment #3).
- Our intranet based *Net Learning* software will be used to administer the post-test and keep completion logs. Numerator = all who complete education, denominator = all who should be educated. (Attachment #4)

11/6/07 -
11/21/07

11/7/07

A 168

Refer to A 175.
482.13(e)(5) PATIENTS RIGHTS:
RESTRAINT OR SECLUSION

The use of restraint or seclusion must be in accordance with the order of a physician or other licensed independent practitioner who is responsible for the care of the patient as specified under 482.12(c) and authorized to order restraint or seclusion by hospital policy in accordance with State law.

This standard is not met as evidenced by Based on policy review, record review, and interview it was determined that the hospital failed to obtain orders for the use of medical restraints on all patients for 1 of 3 (Patient #11) sampled patients with medical restraints.

A 168

Validate appropriate documentation by:

- House Supervisor/Critical Care and ED charge nurses will ensure that Staff obtain and generate appropriate documents for restraint application:
 - MD notification to obtain order
 - Complete nursing documentation
 - Updates Plan of Care
 - Notification and Education of patient family/significant other

Monitoring

- House Supervisor/Critical Care and ED charge nurses monitors 100% of the restraint process for completion utilizing the restraint log (Attachment #2)

11/20/07

Education

- Mandatory Educational Skills Fair is

11/6/07 -
11/21/07

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A BUILDING BAPTIST MEMORIAL HOS B WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

A 175	<p>The findings included:</p> <ol style="list-style-type: none"> Review of the hospital's policy, "Medical Restraint", documented, "... The continued use of restraints beyond the first 24-hours is authorized by the physician... this renewal or new order is issued no less than once each calendar day..." Medical record review for Patient #11 documented, on the restraint assessment forms dated 10/07/07 to 10/15/07, the patient had bilateral wrist restraints intact. There was no documentation of a physician's order for the restraints for 10/7/07 and 10/8/07 and from 10/10/07 to 10/14/07. <p>Observations on 10/16/07 at 2:00 PM revealed bilateral wrist restraints intact on the patient. There was no documentation of a physician's order for the 10/16/07 restraints.</p> <ol style="list-style-type: none"> During an interview on 10/16/07 at 2:07, the Chief Nursing Officer verified the above. 	A 175	<p>being conducted promoting mandatory education on all aspects of the Restraint/Seclusion Policy, new process, alternatives to restraint and monitoring expectations (Attachment #3).</p> <ul style="list-style-type: none"> Our intranet based <i>Net Learning</i> software will be used to administer the post-test and keep completion logs. Numerator = all who complete education, denominator = all who should be educated. (Attachment #4) Baptist MD, our electronic physician communication portal will be flagged with a reminder that restraints require immediate physician notification and order. The CNO will be placed on the agenda of the Medical Staff Committee meetings to address the issue of immediate notification for all types of restraints. 	11/13/07
	<p>Refer to A 175 482.13(e)(10) PATIENT RIGHTS: RESTRAINT OR SECLUSION</p> <p>The condition of the patient who is restrained or secluded must be monitored by a physician, other licensed independent practitioner or trained staff that have completed the training criteria specified in paragraph (f) of this section at an interval determined by hospital policy.</p> <p>This STANDARD is not met as evidenced by: Based on policy review, medical record review, and interview, it was determined the hospital failed to ensure patients in restraint were continually monitored and evaluated for 3 of 3 (Patients #10, 11, and 13) sampled patients with restraints.</p> <p>The findings included:</p> <ol style="list-style-type: none"> Review of the hospital's policy "Medical Restraints" documented, "Visual 		<p>Patients in restraints are continually monitored and evaluated.</p> <p>Compliance will be achieved by:</p> <p>Education</p> <ul style="list-style-type: none"> Mandatory Educational Skills Fair is being conducted promoting mandatory education on all aspects of the Restraint/Seclusion Policy, new process, alternatives to restraint and monitoring expectations (Attachment #3). Our intranet based <i>Net Learning</i> software will be used to administer the post-test and keep completion logs. Numerator = all who complete education, denominator = all who should be educated. (Attachment #4) 	11/12/07
	<p>The findings included:</p> <ol style="list-style-type: none"> Review of the hospital's policy "Medical Restraints" documented, "Visual 		<p>Decreasing opportunities to fail via use of restraint reduction strategies:</p> <ul style="list-style-type: none"> Change process for obtaining restraints. Restraints will no longer be available from Central Supply (CSR) carts 	11/20/07

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A BUILDING BAPTIST MEMORIAL HOS B WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER

BAPTIST MEMORIAL HOSPITAL

STREET ADDRESS, CITY, STATE, ZIP CODE

6019 WALNUT GROVE ROAD

MEMPHIS, TN 38120

X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
-------------------------	---	---------------------	--	----------------------------

observation of the patient occurs a minimum of every 1 hour... assessment... every 2 hours includes the following, vital signs... circulation and release of Continued From page 3 restraint... physical, psychological status and comfort...

- 2 Medical record review for Patient #10 documented the patient was placed in bilateral wrist restraints on 10/12/07 at 1100. Review of the 'Medical Restraint Assessment and Documentation' form dated 10/12/07 revealed no documentation of visual observation of the patient from 0300 - 0800. There was no documentation the patient's vital signs, circulation/release, physical, psychological and comfort status were assessed from 0000 - 0800.

Review of the 'Medical Restraint Assessment and Documentation' Form dated 10/13/07 revealed no documentation of visual observations of the restraint or assessment of the patient's vital signs, circulation/release, physical psychological and comfort status from 1100 - 1400 and from 0400 - 0800.

Review of the 'Medical Restraint Assessment and Documentation' form dated 10/14/07 revealed no documentation of assessments of the patient's vital signs from 0700 - 1400

Review of the 'Medical Restraint Assessment and Documentation' form dated 10/15/07 revealed no documentation of visual observations of the restraints and assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 1200 - 1400

- 3 Medical record review for patient #11 documented the patient was placed in bilateral wrist restraints on 10/7/07. There was no documentation in the patient's medical record of the Medical Restraint Assessment and

on units.

- Remove restraints from CSR carts on all the units.
- Remove all belts and vests from hospital inventory.
- All requests for a restraint must come from the unit to the House Supervisor, Critical Care charge nurse or ED charge nurse. Materials can dispense restraints only on order of the House Supervisor, Critical Care and ED Charge Nurses.

Assigning bottom line accountability for continual monitoring and evaluation of patients in restraints:

- Nurse Managers/Charge Nurses will round on every restraint patient every shift and verify documentation and application per policy.
- House Supervisor/Critical Care and ED charge nurses monitors 100% of the restraint process for completion utilizing the restraint log (Attachment #2).

11/20/07

STATEMENT OF DEFICIENCIES NO PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
--	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 4019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	---	----------------------------

Documentation" forms for the use of restraints.

During an interview on 10/16/07 at 2:30 PM, the Chief Nursing Officer (CNO) verified there was no documentation of the medical restraint assessment forms on this patient and restraint assessment would be documented in the computer generated nurse's notes.

Review of the computerized generated nurse's note dated 10/7/07 revealed no documentation of visual observations of the restraints at 1900 and 2000.

Review of the computerized generated nurse's notes dated 10/10/07 revealed no documentation of visual observations of the restraint or assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 0600-1900.

Review of the computerized generated nurse's notes dated 10/15/07 revealed no documentation of visual observations of the restraint or assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 1200 - 1540.

- 4 Medical Record review for Patient #13 documented the patient was placed in bilateral wrist restraints on 10/12/07 at 0700

Review of the "Medical Restraint and Documentation" form dated 10/12/07 revealed no documentation of visual observation of the restraints at 1000 and 1100.

Review of the "Medical Restraint and Documentation" form dated 10/13/07 revealed documentation of visual observations of the restraint or assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 1500 - 0600

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL			STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120	
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE

Review of a "Medical Restraint and Documentation" form, which was not dated but verified by the Unit Director as the form for 10/14/07, revealed no documentation of visual observations or assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 0100 - 0600.

Review of a "Medical Restraint and Documentation" form, which was not dated but verified by the Unit Director as the form for 10/15/07, revealed no documentation of visual observations or assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 0700 - 1800.

- 5 During an interview on 10/16/07 at 11:00 AM, the Unit Director verified the above findings.

482.23 NURSING SERVICES

A 385

The hospital must have an organized nursing service that provides 24-hour nursing services. The nursing services must be furnished or supervised by a registered nurse.

This CONDITION is not met as evidenced by: Based on medical record review, observations and interview, it was determined the nursing staff failed to provide necessary service to all patients

A 385

Nursing Services will provide necessary services to all patients. Further, Nursing Services will assure that provision of services by deploying action plans that include staff education, frequent monitoring, and assigning bottom-line accountability for documenting compliance:

The findings include:

- 1 The nursing staff failed to follow hospital policy for the assessment and supervision and documentation for the use of restraints.
Refer to A 175.

A 175

The hospital will ensure that patients in restraints are continually monitored and evaluated.

11/8/07 -
11/21/07

Compliance will be achieved by:

Education

- Mandatory Educational Skills Fair is being conducted promoting mandatory education on all aspects of the Restraint/Seclusion Policy new

158

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

2 The nursing staff failed to supervise and evaluate the care for each patient
Refer to A 395

3 The nursing staff failed to individualize and update the nursing care plan for each patient
Refer to A166 and A 396.

482 23(b)(3) RN SUPERVISION OF NURSING CARE

A registered nurse must supervise and

process, alternatives to restraint and monitoring expectations (Attachment #3).

- Our intranet based *Net Learning* software will be used to administer the post-test and keep completion logs. Numerator = all who complete education, denominator = all who should be educated. (Attachment #4)

Decreasing opportunities to fall via use of restraint reduction strategies:

- Change process for obtaining restraints. Restraints will no longer be available from Central Supply (CSR) carts on units.
- Remove restraints from CSR carts on all the units.
- Remove all belts and vests from hospital inventory.
- All requests for a restraint must come from the unit to the House Supervisor, Critical Care charge nurse or ED charge nurse. Materials can dispense restraints only on order of the House Supervisor, Critical Care and ED Charge Nurses.

Assigning bottom line accountability for continual monitoring and evaluation of patients in restraints:

- Nurse Managers/Charge Nurses will round on every restraint patient every shift and verify documentation and application per policy.
- House Supervisor/Critical Care and ED charge nurses monitors 100% of the restraint process for completion utilizing the restraint log (Attachment #2).

11/20/07

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL		STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120	
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)
			(X5) COMPLETION DATE

A 396

evaluate the nursing care for each patient.

This STANDARD is not met as evidenced by: Based on medical record review, observation, and interview, it was determined the nursing staff failed to correctly assess pressure wounds and provide wound care in accordance with the physician's orders for 3 of 5 (Patients #1, #11, and #20) sampled patients with pressure ulcers; and failed to adhere to a physician's orders for fluid restriction for 1 of 1 (Patient #12) sampled patients with ordered fluid restriction.

The findings included:

1. Medical records review revealed Patient #1 was admitted on 9/27/07 with a diagnosis of rib/abdominal pain. Review of the initial nursing skin assessment, dated 9/27/07, revealed documentation there was no skin impairment and the patient had a Braden score of 15 (low level of risk for skin breakdown).

Review of the ET nurse's note dated 10/12/07 revealed documentation of a sacral pressure ulcer 4 cm x 7 cm with scant amount of drainage and dressing open to air.

Review of physician's orders dated 10/12/07 revealed the following order:
"1) Xenaderm ointment to sacral wound BID (twice daily) 3) float heels off mattress"

Review of the physician's orders dated 10/13/07 revealed the following:
"Please use Duoderm on sacral ulcer if possible"

Review of the nursing notes revealed the following documentation:
10/13/07 at 15:36 "Stage I sacral pressure wound. Dressing. Allevyn dressing applied"
10/14/07 at 08:45 "Stage I sacral pressure wound. Dressing. dry, intact"

A 396

Nursing staff will correctly assess, consult, and provide wound care in accordance with the physician's orders.

Standardize Education and Assessment Tools

- Deployed Wound Care Education Plan (Attachment # 5)
 - Content developed by Save Our Skin (SOS) team
 - Poster presentation at education fair to identify stages of decubitus and measuring techniques.
 - Skin and wound assessment training classes with hands on education materials conducted
 - Mandatory self study with test via Net Learning

Increased monitoring of compliance

- Weekly unit based skin rounds (Attachment #6)
 - Review of all patients on each unit at least 1 time per week
 - Documentation of compliance using unit based skin PI monitor (Attachment #7)
- Implement wound assessment tool kit to improve documentation of skin assessment
 - Developed documentation/navigation tips pocket card
 - Graphic pictures of wounds at different stages downloaded into the documentation section of Baptist CD as a reference for nurses who are staging wounds. (Attachment #8)
 - Documentation will reflect new options i.e. Stage 3 healing/healed, unstageable)

11/20/07

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	X1 PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	X3) DATE SURVEY COMPLETED 10/17/2007
---	---	--	--

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	---	----------------------------

10/15/07 at 0230: "Stage II sacral pressure wound, Dressing: dry, intact
10/15/07 AT 11:58: "Stage I sacral pressure wound."
10/15/07 at 17:45: "Stage II sacral pressure ulcer, Dressing: dry, intact.
10/16/07 at 08:15: "Stage II sacral pressure ulcer, Dressing: dry, intact.
10/17/07 at 0945: "Stage II sacral pressure wound; Dressing: open to air".

On 10/17/07 at 11:00 AM, observation of the patient's sacrum revealed a wound opened to the air without a dressing in place. The wound was medium pink to dark pink in color with a gray crusted area approximately 2.5 cm (centimeters) in diameter. The wound was observed covered with a thin coat of a white substance.

On 10/17/07 at 11:10 AM, the patient's caregiver verified the nursing staff had not applied Duoderm dressing to the wound at any time.

Review of the MAR (medication administration record) failed to reveal documentation of a physician's order for the Duoderm. In an interview on 10/17/07, the unit manager verified the physician's order for Duoderm should have been documented on the MAR.

Medical review failed to reveal any nursing documentation the Duoderm dressing was applied to the patient's sacral wound.

- 2 Medical record review for patient #11 revealed the following documentation of skin assessments:
10/7/07 - "Wound 1: groin, skin tear, ulcer, Stage II. Wound 2: scrotum ulcer, Stage I"
10/8/07 - 06:00 "Wound 1: groin, skin tear ulcer, Stage II" 2:00, "Wound 1: groin, intact. Wound 2: Scrotum ulcer, Stage I"
10/9/07 - "Wound 1: groin intact. Wound 2: scrotum ulcer, Stage I"
10/10/07 - "Wound 1: groin intact"
Further Medical record review failed to

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
--	--	---	--

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38126
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	---	----------------------------

reveal documentation related to Wound 2
10/11/07 - 10/17/07 Medical record review failed to reveal documentation of impaired skin or wounds.

On 10/17/07 at 1:30 PM, Patient #11 was observed to have 2 open red areas approximately 2.5 cm in diameter on his scrotum. Observation of the right groin fold area revealed the skin in the center of the fold was not intact and was dark pink in color.

3. Medical record for Patient #20 documented the patient was admitted on 9/14/07 and had surgery 9/15/07 for a CABG (Coronary Artery Bypass Graft). The patient was diagnosed as a new diabetic on 9/15/07 and started on insulin.

The nurses note revealed the following documentation:
9/19/07 at 1543: "abrasion on buttock"
9/20/07: "skin tear buttock"
9/22/07 1800: "Wound 1 Location Right Buttock Pressure Ulcer Stage 2 Hypergranulated."
9/23/07: The wound care nurse was consulted.
9/25/07 the wound care nurse documented, "Stage 3 decubitus ulcer to sacrum 3cm x 1.5 cm with yellow necrotic tissue covering wound base. Wound with loosely detached edges from wound. Wound dry without erythema or odor..."

Orders dated 9/25/07 documented, "Accuzyme ointment to sacral wound daily, cleanse with NS (normal saline), apply Accuzyme ointment to wound base cover with moist gauze then cover with 4x4 and paper tape."

There is no documentation in the medical record the wound was measured after 9/25/07

On 10/17/07 at 11:30 AM during the assessment of the wound the surveyor asked that the wound be measured

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	X1 PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
--	--	---	--

NAME OF PROVIDER OR SUPPLIER
BAPTIST MEMORIAL HOSPITAL

STREET ADDRESS, CITY, STATE, ZIP CODE
6019 WALNUT GROVE ROAD
MEMPHIS, TN 38120

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

The wound was moist in appearance, with scant yellow drainage and about 2 inches around the wound was very red and excoriated. The wound measured 4.2 cm x 3 cm.

During an interview on 10/17/07 at 11:40 AM, a staff nurse stated they were looking at the wound but doing nothing until a consultation was made to the wound care nurse on 9/23/07.

4. Medical record review for Patient #12 documented a physician's order dated 10/11/07 for 1000 cc (cubic Centimeters) fluid restriction/(per) 24 hours.

Review of the I&O (Intake and Output) records documented the following:
10/12/07: 1404 cc from 7-3; 1218 cc from 3-11; and 512 cc from 11-7; for a total of 3134 cc in 24 hours.
10/13/07: 0cc fluid from 7-3; 2340 cc from 3-11; and 1228 cc from 11-7; for a total of 3568 cc in 24 hours.
10/14/07: 1000 cc from 7-3; 0cc from 3-11; and 1082 cc from 11-7; for a total of 2082 cc in 24 hours.
10/15/07: 1444 cc from 7-3; 1408 cc from 3-11 and 575 cc from 11-7; for a total of 3425 cc in 24 hours.

During an interview on 10/18/07 at 2:25 PM, the Chief Nursing Officer verified the above.

Based on the medical record review and interview, it was determined the nursing staff failed to notify the clinical dietitian (RD), in accordance with facility policies for 1 of 37 (Patient #37) sampled patients with identified problems of anemia and malnutrition.

The finding included:

1. The "Adult Admission Profile/History/Assessment Record"

The Nursing Staff will notify the clinical dietitian (RD) when patient is assessed at risk for nutritional deficits. RN's should notify the RD when:

- Chewing difficulty
- Swallowing difficulty
- Feeding: Enteral (tube feeds) or TPN
- 10% wt loss, unintentional, in the last 6 months
- Diet change: illness caused amt of food or type
- of food, in the last 6 months

11/08/07

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL			STREET ADDRESS, CITY, STATE, ZIP CODE 5018 WALNUT GROVE ROAD MEMPHIS, TN 38120	
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE

from the Patient Care Policy Manual #10 d. documented "Braden scale scoring is to be done on all patients upon admission... If the score is less than 15, notify Clinical Dietician..."

2. Medical record review for Patient #37 documented the patient was admitted on 10/4/07 with a diagnosis of anemia/acute encephalopathy. The Physician's admission order documented the diet of NPO (nothing by mouth).

A physician consult documented the following: 10/5/07... "anemia and malnutrition... 10/6/07... "terribly debilitated, malnourished 65 year old... has terrible dentition... marked muscle wasting of extremities and extremely poor skin turgor."

The first consult from Nutrition Services was dated 10/10/07.

During an interview on 10/16/07 at 2:10 PM, the RN (registered nurse) manager confirmed the Braden Scale registered 13 on 10/5/07 and Nutritional Services should have been contacted.

During an interview on 10/16/07 at 2:15 PM, the Clinical RD Manager confirmed there was no documentation of an RD consult but "Nutrition Services was alerted by the albumin lab value of 2.2 on 10/8/07."

Based on medical record review and interview, it was determined the nursing services failed to provide pediatric assessments for 2 of 4 (Patients 28 and 31) sampled pediatric patients

The findings included:

1. Medical record review for Patient #28 documented the 2 month old child was brought to the Emergency Department (ED) on 9/22/07 at 11:19 PM by the mother with the complaint of "hit very

- Braden score: <15
- Skin Breakdown: Stage I, II, III, IV
- Food Allergies
- Pregnancy & Lactation

Compliance will be achieved by:

Education

- Mandatory Educational Skills Fair is being conducted promoting mandatory education on all aspects of the Restraint/Seclusion Policy, new process, alternatives to restraint and monitoring expectations (Attachment #3).
- Our intranet based *Net Learning* software will be used to administer the post-test and keep completion logs. Numerator = all who complete education, denominator = all who should be educated. (Attachment #4)

11/6/07

Nursing Services will provide a standard method to allow for the safety of patients who request to leave without being seen (Attachment # 9).

11/20/07

- Any patient that requests to leave the ED from the Waiting Area is referred to the Triage Nurse for an assessment.
- The Triage Nurse if not able to assess the patient quickly calls for the Charge or Head Nurse overhead while telling the patient that a nurse is coming to see them.
- The Assessing Nurse of the patient requesting to leave tries to encourage the

STATEMENT OF DEFICIENCIES	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---------------------------	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	--	----------------------------

hard on back of head". On 9/22/07 at 11:36 PM the mother and child left the ED without being seen after signing a "Refusal of Services". There was no documentation of a nursing assessment for complications prior to the patient leaving the ED.

2. Medical record review for patient #31 documented the 15 month old child was brought to the ED on 9/22/07 at 9:43 PM by the mother with a complaint of "Poss (Possible) swallowed a magnet(s)". On 9/22/07 at 10:02 PM the mother and child left the ED without being seen after signing a "Refusal of Services". There was no documentation of a nursing assessment for complications prior to the patient leaving the ED.

3. During an interview in the conference room on 10/16/07 at 9:15, the CNO verified nursing staff should have performed and assessment for complications in the pediatric area before the patient left the ED.

- patient to stay for treatment.
- If the person still insists on leaving the Assessing Nurse documents on the Refusal of Services form (Form # 0137 202) the following information:
 - Communication of trying to convince patient to stay
 - Assessment and condition of the patient in the Other section
 - Risks of leaving the department without care and the benefits of staying for care.
- If signs of abuse are recognized the nurse contacts social services or the on call social worker to report the findings and this is documented on the Refusal of Services form.

Daily Charge/Head Nurse Review of Central Log:

- Review the Central Log patient complaint columns on LWBS patients that could have signs of abuse.
- Coordinate with Referral and Authorization office for follow-up on LWBS patients.

Daily Referral and Authorization Office Follow-up:

- A Nurse calls all patients that are LWBS daily (Attachment #10)
- The form is completed as best as possible with information from the patient.
- Upon completion of the form it is placed in the LWBS Log book in ED Nursing Office.
- Any patients with questionable history are referred to the ED Head Nurse/Charge Nurse and/or Social Services

The hospital will assure that the nursing staff develops, and keeps current, a nursing care plan for each patient.

Immediate Actions:

- Developed a new plan of care form that addresses all elements of the standard including documentation of patient family discussion, RN oversight and multidisciplinary input
- Involved RN staff and other disciplines RT PT OT Speech ET, Dietitian Case Management, Social Work and

A 396

482 23(b)(4) NURSING CARE PLAN

A 396

The hospital must ensure that the nursing staff develops, and keeps current, a nursing care plan for this patient

This standard is not met as evidenced by: Based on policy review, medical record review and interview, it was determined that the hospital failed to assure that nursing staff developed and kept current an individualized care plan for each patient based on their need for 20 of 37 Patients

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
--	--	---	--

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------	--	---------------	---	----------------------

#1,3,8,9,10,11,12,14,16,17,20,22, 23, 24, 25, 26, 27, 35, and 36) sampled patients.

The findings included:

1. Review of the hospital's policy "Plan of Care", documented, "...A plan of care is developed from the findings of the initial assessment. The written plan of care is initiated within 8 hours post admission and completed within 24 hours. The plan is developed by the RN (Registered Nurse)...the plan is individualized based on assessment findings... daily focus goals are updated every 24 hours and pm. Update includes reviewing, revision and resolving problems with documentation of the activities. ..."

Review of the hospital's policy, "Patient Plan of Care Guidelines", documented, "... Document... the time the plan is reviewed by the RN... signature of the RN reviewing the plan... (document) neuron... cardiac... pulmonary... GI/Nutrition, diet orders, tube feedings, enteral feedings, nutritional supplements... Skin/Wound, skin care, wound care therapeutic surfaces, dressing changes...".

2. Medical record review for Patient #1 documented the patient was admitted on 9/27/07. There was no documentation an initial plan of care was developed and initiated within 8 hours and completed within 24-hours of admission. A plan dated 10/10/07 revealed no signature of the RN who developed the plan. Review of the physician's orders dated 10/12/07 documented the patient had a sacral decubitus and to cleanse the decubitus twice/daily (BID). There was no documentation on the plan of care dated 10/12/07 the plan had been reviewed and revised for the sacral decubitus.

3. Medical record review for Patient #3 documented on 10/9/07 the patient's plan of care was reviewed. There was

Pharmacy) in the development of the new form.

- Implemented new plan of care. (Attachment #11)
 - Finalize new plan of care form and the goal/priority list. (Attachment #12)
 - Develop guidelines for the use of the new plan of care, hand-off report in HED, and daily goal/priority list.
 - Locate the new plan of care outside each patient's room inside a separate folder.
 - Educate all disciplines on use of new patient plan of care, hand-off report in HED, and daily goal/priority list.
 - Delete supply of current goal sheets from nursing units and store room..
- Nurse Managers/Charge Nurses will round on every patient everyday and review Plan of Care for accuracy, completion, and RN oversight.
- "One Minute Rounds", the daily process of multidisciplinary rounding that occurs on each unit will be facilitated using the Plan of Care in order to get concurrent multidisciplinary input.

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 5019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	--	----------------------------

	no signature of the RN who developed the plan who reviewed the plan of care.			
4	Medical record review for Patient #8 documented the patient was admitted on 8/24/07 with multiple myeloma, began hemodialysis during the hospital course and developed depression due to the dialysis. There was no documentation on the plans dated 9/18/07 - 10/16/07 that depression had been identified as a problem or goals/interventions developed for the patient's depression.			11/8/2007
5	Medical record review for Patient #9 documented the patient was admitted on 9/22/07 for abdominal pain, hospice care and an albumin level of 2.8 (normal 3.4-5.5). There was no documentation an initial plan of care was developed within 8 hours or completed within 24-hours of admission.			
6	Medical record review for Patient #10 documented the patient was admitted on 10/12/07. Review of the plan of care documented an initial plan was initiated on 10/12/07. There was no documentation of completion of the plan within 24-hours, the RN's signature who developed the plan not reviews of the plan every 24-hours during the hospital stay.			
7	Medical record review for Patient #11 documented the patient was admitted on 10/07/07. There was no documentation an initial plan of care was developed within 8 hours and completed within 24-hours post admission. There was no documentation that a plan had been reviewed every 24-hours during the hospital stay. A plan dated 10/18/07 revealed no documentation of the patient's neuron, cardiac, nutritional, skin status or goals. There was no signature of the RN who developed the plan of care.			
8	Medical record review of Patient #12			

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____		(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL			STREET ADDRESS CITY STATE ZIP CODE 5018 WALNUT GROVE ROAD MEMPHIS, TN 38120		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	

- documented the patient was admitted on 10/11/07. There was no documentation an initial care plan was developed and initiated within 8 hours or completed within 24-hours of admission. A plan dated 10/16/07 revealed no documentation the plan was individualized to include the physician's ordered 1000 cubic centimeters (cc) fluid restriction/day, goals or the signature of the RN who developed the plan of care.
9. Medical record review for Patient #14 documented the patient was admitted on 10/11/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24-hours of admission. A plan dated 10/11/07 revealed no signature of the RN who developed the plan, patient goals of documentation the plan had been reviewed every 24-hours.
10. Medical record review for Patient #14 documented the patient was admitted on 10/11/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24-hours of admission. A plan dated 10/15/07 revealed no documentation of the patient's sacral wound care or nutritional supplements the patient was receiving. There was no documentation the plan had been reviewed every 24 hours.
11. Medical record review for Patient #16 documented the patient was admitted on 9/14/07. An initial plan of care dated 9/14/07 revealed no signature of the RN who developed the plan of care or goals for the patient's identified problems.
12. Medical record review for Patient # 17 documented the patient was admitted on 10/11/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6018 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	---	----------------------------

	admission.			
13	Medical record review for patient #20 documented the patient was admitted on 9/14/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. The plans dated 9/22/07, 9/23/07, 9/24/07, 9/25/07, 9/28/07, 9/29/07, 9/30/07, 10/2/07, 10/3/07, 10/5/07, 10/8/07, 10/7/07, and 10/13/07 revealed no signature of the RN's who reviewed/revised the plans of care.			
14	Medical record review for Patient #22 documented the patient was admitted on 10/12/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. A plan dated 10/15/07 revealed no signature of the Rn who developed the plan or documented reviews of the plans every 24 hours during the hospital stay.			
15	Medical record review for Patient #23 documented the patient was admitted on 10/8/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. A plan dated 10/15/07 revealed no signature of the RN who developed the plan of care or documentation the plan was reviewed every 24 hours during the hospital stay.			
16	Medical record review for Patient # 24 documented the patient was admitted on 10/4/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission.			
17	Medical record review of Patient #25 documented the patient was admitted on 10/13/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of			

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____		(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL			STREET ADDRESS, CITY, STATE, ZIP CODE 5018 WALNUT GROVE ROAD MEMPHIS, TN 38128		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)		(X5) COMPLETION DATE

- admission.
18. Medical record review for patient #26 documented the patient was admitted on 10/12/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. A plan dated 10/15/07 revealed no signature of the RN who developed the plan of care.
 19. Medical record review for patient #27 documented the patient was admitted on 10/15/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. A plan dated 10/15/07 revealed no signature of the RN who developed the plan of care.
 20. Medical record review for patient #36 documented the patient was admitted on 10/8/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. A plan dated 10/10/07 revealed no documentation of the patient's neuron, cardiac, pulmonary, nutritional, skin status or patient goals or a signature of the RN who developed the plan of care.
 21. Medical review for Patient #36 documented the patient was admitted on 10/2/07 for weakness and shortness of breath (SOB) associated with end stage renal disease (ESRD) and dialysis. There was no documentation an initial plan of care was developed and initiated within 8 hours and completed within 24 hours of admission. Review of the plans dated 10/5/07 - 10/18/07 revealed no documentation the plans had been individualized for goals for the patient's SOB and dialysis treatments.
 22. During an interview on 10/18/07 at 2:15 PM, the CNO verified the above findings.

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL		STREET ADDRESS, CITY, STATE, ZIP CODE 8818 WALNUT GROVE ROAD MEMPHIS, TN 38128	
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)
			(X5) COMPLETION DATE

A 459

Refer to A 168.
482.24(c)(2)(i) CONTENT OF RECORD-
HISTORY AND PHYSICAL

All records must document, as appropriate,
evidence of a medical history and physical
examination completed no more than 30
days before or 24 hours after admission.

This STANDARD is not met as evidenced
by: Based on record review and interview, it
was determined the facility failed to
complete the history and physical (H&P)
examination for 2 of 28 (Patient #23 and 24)
sampled patients.

The findings included:

1. Medical record review on 10/15/07 for
Patient #23 documented the patient
was admitted on 10/8/07 with a H&P
dated 10/8/07 that had not been signed
by the physician.
2. Medical record review on 10/15/07 for
Patient #24 documented the patient
was admitted 10/4/07 with a H&P dated
10/4/07 that had not been signed by the
physician.
3. During an interview on the 2nd floor on
10/15/07 at 11:40 AM, the Chief
Nursing Officer (CNO) verified the
H&P's should have been signed by the
physician no later than 24-hours after
admission.

A 468

482.24(c)(2)(vii) CONTENT OF RECORD-
DISCHARGE SUMMARY

All records must include discharge summary
with outcome of hospitalization, disposition
of care and provisions for follow-up care.

This STANDARD is not met as evidenced
by: Based on medical record review, it was
determined the facility failed to ensure all
patient records contain a discharge

A 459

Based upon both Section 482.24(c)(2)(i)
include provisions requiring evidence of a
medical history and physical examination
completed no more than 30 days before or 24
hours after admission. Cases, #23 and #24
had a "physician dictated" history and physical
present in the medical record within the 24
hour timeframe requirement. Had these been
dictated by a non-physician, authentication
within the 24 hour timeframe would have been
necessary. Under this citation, there are no
regulatory requirements for physicians
"signing" of the history and physical within 24
hours. The BMMH Memphis Rules and
Regulations (Attachment #13) require H&P's
to be completed and on the chart within 24-
hours, but they do not require signature
authentication to be considered complete.

Had there been a hand-written history and
physical present, the requirement for signature
of medical record entries would have been
applied for the "entry".

A 468

In reviewing this citation it is believed that
patient # 15 was incorrectly identified because
it was an outpatient procedure case. We
believe the patient most closely fitting the
demographics described in the citation is
patient # 16. In reviewing the discharge
summaries of patients # 16 and #17 it is
determined that both patients had completed
discharge summaries which included a
discharge summary discussing the outcome of
the hospitalization, the disposition of the
patient, and provisions for follow-up care
(Attachment # 14 and 15)

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	--	----------------------------

A 630	<p>summary for 2 of 20 (Patient #15 and 17) closed record reviewed. The findings included:</p> <p>Medical record review for Patients #15 and #17 revealed no documentation of a discharge summary discussing the outcome of the hospitalization, the disposition of the patient, and provisions for follow-up care.</p> <p>482.28(b)(2)DIETS</p> <p>Nutritional needs must be met in accordance with recognized dietary practices and in accordance with orders of the practitioner or practitioners responsible for the care of the patients.</p> <p>This STANDARD is not met as evidenced by: Based on review of the hospital's policy for pressure ulcers, review of the medical record, and interview, it was determined that the facility failed to follow it's nutrition policy for multiple decubitus ulcers for 1 of 5 (Patient #10) sampled patients with decubitus reviewed.</p> <p>The findings include:</p> <ol style="list-style-type: none"> Review of the hospital's policy for "Pressure ulcers" documented. Malnutrition, dehydration, whether secondary to poor appetite places the client at risk of tissue breakdown and poor healing. Patients with the above-described risk factors should receive a complete nutrition assessment and care plan designed to address each nutrition problem identified. The following guidelines will usually meet the patient's needs. Adequate energy intake of 30-35 [kcal/kg] calories per kilogram of the present body weight. Use lower range for stages 1 and 2 and higher range for stages 3 and 4 ulcers and for ulcers at multiple sites. proper hydration to maintain skin elasticity. The optimal fluid intake is for a minimum of 1,500 milliliters per day. 	A 630	<p>Nutritional needs will be met in accordance with recognized dietary practices and in accordance with the orders of the practitioner.</p> <ul style="list-style-type: none"> Dietitian meeting held to introduce reference and educate regarding its use in documentation. The Registered Dietitian reviews computer-generated data and screens any patient with the following. <ul style="list-style-type: none"> Albumin < 2.8 or Prealbumin < 18 (Exception: Aortic Aneurysm, Coronary Artery Bypass Graft (CABG), Femoral Popliteal Graft, Aortic Valve Replacement (AVR), Mitral Valve Replacement (MVR), Total or Radical Hysterectomy (TAH/RAH), Laminectomy, Cardiac Intervention Unit due to blood loss) Diet order of Total Parenteral Nutrition Tube Feeding >85 years of age LOS >7 days for adult patients, greater than 3 days (72 hours) for pediatric patients. NPO >5 days Consults (Physician ordered, nursing referrals (initial nursing screen), patient request for consult) High Risk Admitting Diagnosis affecting nutritional status per registered dietitian's clinical judgment. Examples include malnutrition, weight loss, failure to thrive, etc. Developed abbreviated reference for clinical dietitians to use when assessing patient's needs. (Attached #10) 	
-------	--	-------	---	--

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED
	440048		10/17/2007

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 5019 WALNUT GROVE ROAD MEMPHIS, TN 38120
--	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	---	----------------------------

2. Medical record review for Patient #10 documented an admission date of 10/12/07 with diagnoses of large eschar on the heel, large sacral decubitus, peripheral vascular disease, end-stage chronic renal disease, arteriosclerotic heart disease, Type 2 Diabetes Mellitus, insulin dependent, chronic congestive heart failure, diabetic neuropathy and chronic disease type anemia. It further documented the patient was on hemodialysis 3 times per week.

The patient was admitted on an 1800 calorie (ADA) American Diabetes Association diet. There was no fluid restriction. The Physician also ordered Nepro at 40 (cc) cubic centimeters per hour per (peg) percutaneous gastrostomy tube.

Progress notes on 10/12/07, by the wound care nurse documented the left foot had an eschar covered heel extending to the plantar aspect of the foot. The sacral ulcer was 11 cm by 1.5 cm. It had necrotic tissue at the edges and "deep purplish discoloration".

The renal dialysis assessment dated 10/13/07 documented no intake although output data was kept to document how the patient was tolerating dialysis.

The nutrition assessment dated 10/13/07, revealed the albumin was low at 1.2 (g/dl) grams per deciliter (normal is 3.4-5.0). The diagnosis was "Decubitus Ulcer". The RD used 24 kcal/kg instead of 30-35 kcal/kg to calculate the patient's caloric need for an estimated 1800 calories/day instead of the 1900 calories using the protocol given above. The RD used 1.0-1.2 g/kg of protein of 1.5 g/kg for stage 3 or 4 or multiple decubitus ulcers. The patient's estimated protein requirement was 35-78 grams of protein instead of 95 grams of protein. The RD assessed fluid requirement at 1000 ml per day for hemodialysis patients instead of the

- Educated staff to clearly document rationale when deviation is made from normal standards.
- Develop monitoring tool for chart audits. (Attachment #17)
- Revised Nutrition Assessment and Reassessment Policy (Attachment #18)

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

minimum 1500 ml of fluid in the standard of practice. Physician progress notes documented the patient was not on a Physician ordered fluid restriction.

- During an interview on 10/17/07, at 11:20 am, The Quality Assurance nurse confirmed the nursing care plans for this patient had very little documentation. During an interview on 10/17/07 at 11:15 AM, the RD stated the lower protein level was used in the nutrition assessment because, "I did not know the stage of the decubitus ulcer".

11/8/07



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781 B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

Rec 10/29/07
Resp. 11/4/07

October 25, 2007

Mr. Jason Little, Administrator
Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, TN 38120

Dear Mr. Little:

Enclosed is the Statement of Deficiencies, which was developed as a result of the full survey after a complaint, completed at your facility on October 18, 2007.

You are requested to submit a **Credible Allegation of Compliance** within ten (10) days after date of this letter with acceptable time frames for correction of the cited deficiencies. Corrective action must be achieved no later than forty-five (45) days from the date of the survey. Please notify this office when these deficiencies are corrected. A revisit must be conducted prior to the forty-fifth (45th) day to verify compliance. Once corrective action is confirmed, a favorable recommendation for re-certification will be considered.

The following Conditions of Participation have been found to be out of compliance:

A385

482.23

Nursing Services

Also, the following eight (8) standard level deficiencies cited for noncompliance: A166, A168, A175, A395, A396, A459, A468, and A630.

Based on noncompliance with the aforementioned Conditions of Participation, this office is recommending to the CMS Regional Office and/or State Medicaid Agency that your provider agreement be terminated effective January 18, 2008, which is ninety (90) days from the date of the survey. Please be advised that under the disclosure of survey information provisions, the Statement of Deficiencies will be available to the public.

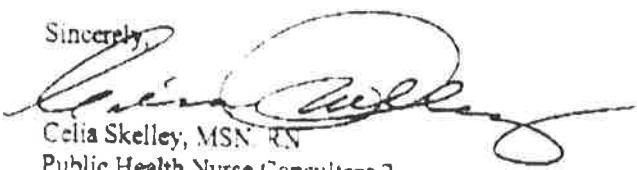
Your plan of correction must contain the following:

- How the deficiency will be corrected;
- How the facility will prevent the same deficiency from recurring.
- The date the deficiency will be corrected;
- How ongoing compliance will be monitored.

If there are any delays in completing your Plan of Correction, please notify this office in writing. Before the plan can be considered "acceptable," it must be signed and dated by the administrator.

Should you have questions or if there is any way this office may be of assistance, please do not hesitate to call 731-421-5113.

Sincerely,



Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CS/TW

Enclosure

AFFIDAVIT

STATE OF TENNESSEE

2012 NOV 30 AM 11 28

COUNTY OF SHELBY

NAME OF FACILITY: Baptist Memorial Hospital-Tipton

I, ARTHUR MAPLES, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Arthur Maples
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 28th day of Nov, 2012, witness my hand at office in the County of Shelby, State of Tennessee.

N. Willette Campbell
NOTARY PUBLIC

My Comm. Exp. 9-11-2013

My commission expires _____



HF-0043

Revised 7/02

Equipment Utilization Growth

Medical Modality	Proposed by CN1105-018A	Projected Increase (Decrease)	Proposed by this application
Laboratory			
Complete Met. Panel;	6,746	1,221	7,967
CBC	21,364	8,972	30,336
Chemotherapy			
Chemo Infusion Pts	1,124		N/A
Chemotherapy T(x)s	69,958	2,657	72,615**
Medical Imaging			
General Radiology	23,425	(13,920) Will be reduced by PET and other	9,505
Other Medical Imaging			
Nuclear Medicine	244	Nuc Med will not be at Cancer Center (244)	0
Ultrasound	1,124	24	1,148
CT	4,752	95	4,847
PET/CT	783	Space included to add future unit 1,513	2,296
Radiation Therapy			
Radiation Therapy Pts	1,223	19	1,242
Radiation Therapy T(x)s	11,616	180	11,796
Cyberknife Pts			
Cyberknife T(x)	150		150
Total Number of Patients*	1,874	78	1,952

*The projections for the number of patients reflect newly-diagnosed cancer cases that will be served by BCCC in the second year.

** Based on physicians who have affiliated with Baptist Center for Cancer Care through Baptist Medical Group. The projections reflect the patient care practices of these physicians.

Need for Additional Equipment

Medical Modality	Proposed by CN1105-018A (please specify units)	Projected Increase (Decrease)	Proposed by This application (please specify units)
Laboratory	Phlebotomy area with some analysis capability. Samples transported to hospital lab.	On site capabilities substantially increased	1 phlebotomy area with multiple stations and 1 lab with: - 3 hema analyzer - 1 chem analyzer - 3 microscopes - 1 uri analyzer
Chemotherapy			
Chemo Infusion Stations	48	Capacity to increase stations as required	Up to 88
Medical Imaging Units			
Specify by type if #'s will change			
CT Simulator	1 relocated		1 relocated
Other Medical Imaging Units			
Ultrasound	1 new		1 new
General X-Ray	1 new		1 new
CT	1 relocated	CT will not be relocated	1 new 64 slice
PET/CT Scanners	1 relocated	A replacement will occur at time of relocation	1 new/replacement
Radiation Therapy			
Linear Accelerators	2 relocated	One replacement will occur at time of relocation to Cancer	1 relocated; 1 new/replacement
Cyberknife	1 relocated		1 relocated

Historical and Projected Utilization at BMH – Memphis and BMH – Tipton Cancer Center

Radiation Therapy Service Utilization:

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Linacs									
Patients	612	713	701	719	734	749	764	780	796
Treatments	11,624	11,352	10,989	11,218	11,449	11,685	11,925	12,171	12,422

PET Service Utilization:

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total PETs &/or Pet/CTs									
Total Procedures	910	854	683	743	756	769	783	797	811

The charts below are reflective of the current modified application.

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Linacs									
Patients	612	713	701	719	734	749	764	756	768
Treatments	11,624	11,352	10,989	11,218	11,449	11,685	11,925	11,796	11,980

Lin ACC Adjustments allow for relocation between 2014 and 2015.

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total PETs &/or Pet/CTs									
Total Procedures			2,178	2,116	2,159	2,203	2,249	2,296	2,342

PET Adjustments represent relocation/replacement of a PET unit used primarily for oncology patients and a number of cases from the PET unit that will remain at BMH-Memphis.

Comparative Project Cost Chart

	Proposed by CN CN1105-018A	Proposed by this application	Increase (Decrease)
Section A Construction & Equipment acquired by Purchase			
Architectural & Eng'r Costs	\$2,150,000	\$2,737,942	\$587,942
Legal, Admin, Consult	\$136,000	\$48,000	(\$88,000)
Acquisition of Site	\$8,250,000	\$11,000,000	\$2,750,000
Site Preparation	\$1,763,490	\$1,111,695	(\$651,795)
Construction	\$31,000,870	\$33,605,000	\$2,604,130
Contingency	\$2,395,000	\$4,221,643	\$1,826,643
Fixed Equip	\$2,287,696	\$11,121,960	\$8,834,264
Moveable Equip	\$3,007,860	\$4,561,893	\$1,554,033
Other (Specify) <u>Maintenance,</u> <u>I/S, Videoconference, Transfer</u> <u>from BMH - Memphis</u>	\$13,889,309	\$14,706,420	\$817,111
Building Only		\$1,674,647	\$1,674,647
Estimated Project Cost	\$64,880,225	\$84,789,200	\$19,908,975
CON Filing Fee	\$45,000	\$45,000	\$0
Total Estimated Project Cost	\$64,925,225	\$84,834,200	\$19,908,975

Addendum to Project Costs Chart

Clarification of Fixed Equipment Indicated In Project Costs	
<u>Item</u>	<u>New Cost or Market Value</u>
New/Replacement PET/CT	1,526,921
New/Replacement Lin Acc	4,247,820
Existing Lin Acc (relocation)	910,000
Cyberknife (relocation)	2,735,714
CT Slim (relocation)	395,000
New General X-ray	212,183
Variasource HDR(relocation)	95,788
New 64 Slice CT	895,176
New Ultrasound	103,358
Total Fixed Equipment	11,121,960

Comparative Projected Data Chart

	Proposed by CN1105-018A Year 1	Proposed by This Application Year 1	Increase (Decrease)
Utilization			
Chemotherapy Treatments	69,958	72,615	2,657
Rad Onc Treatments	11,616	11,796	180
PET	783	2,296	1,513
Revenue from Services to patients	\$114,316,849	\$162,295,765	\$47,978,916
Deductions from Gross Revenue	\$69,831,477	\$105,237,976	\$35,406,499
Net Operating Revenue	\$44,485,372	\$57,057,789	\$12,572,417
Operating Expenses	\$33,741,010	\$48,543,025	\$14,802,015
Net Operating Income (Loss)	\$10,744,362	\$8,514,764	(\$2,229,598)

Comparative Costs Projections Chart

HCPCS Code	Short Descriptor	Approx. Medicare Reimbursement	Baptist Charge	Proposed Vanderbilt Maury Radiation Oncology (CN1012-053)
77290	Set Radiation Therapy Field	\$254.37	\$968.00	1260.00
77300	Radiation therapy dose plan	\$98.31	\$288.00	\$350.00
77336	Radiation physics consult	\$98.31	\$546.00	\$290.00
77370	Radiation physics consult	\$98.31	\$608.00	\$575.00
77470	Special radiation treatment	\$363.50	\$1888.00	\$1500.00
77295	Set radiation therapy field	\$885.71	\$3051.00	4075.00
77334	Radiation treatment aid(s)	\$182.06	\$719.00	775.00
77301	Radiotherapy dose plan, imrt	\$885.71	\$2401.00	4678.00

Comparative Staffing Chart

Position Descriptions	Proposed by CN1105-018A	Proposed by this application	Increase (Decrease)
ASSISTANT-OFFICE II	1.44	1.44	0.00
CLERICAL/SCHEDULING/CHART MANAGEMENT STAFF (NO BILLERS OR RECORDS CODERS)	11.6	11.6	0.00
CLERK-GENERAL II	0.21	0.21	0.00
CLINICAL AND NURSING PRACTICE MANAGER	1.0	1.0	0.00
CLINIC AND SCHEDULING MANAGER	2.0	2.0	0.00
DIRECTOR-RADIATION ONCOLOGY	1.02	1.02	0.00
DOSIMETRIST	2.12	2.12	0.00
ECHO TECH	1	1	0.00
FINANCIAL COUNSELOR	2.4	2.4	0.00
INFUSION THERAPY SERVICE DIRECTOR	1.0	1.0	0.00
LAB TECH's/MA's	12.0	12.0	0.00
NUCLEAR MEDICINE TECH	1	1	0.00
NURSE-HEAD	1.12	1.12	0.00
NURSE-REGISTERED	1.87	1.87	0.00
NURSING (EMR, QUALITY & DATA MANAGEMENT)	1.0	1.0	0.00
NURSING (RN's): CHEMO INFUSION	15.0	15.0	0.00
NURSING (RN's): STAT/INJECTIONS	1.8	1.8	0.00
NUTRITIONAL COUNSELOR	1.2	1.2	0.00
PET/CT TECH	1	1	0.00
PHARM TECH	1.2	4.0	2.80
PHARMACIST	1.2	4.0	2.80
PHLEBOTOMIST	1	4	3.00
RADIOLOGY TECH	1	1	0.00
SOCIAL WORKER	1.2	1.2	0.00
SUPERVISOR-RADIATION ONCOLOGY	1.02	1.02	0.00
THERAPIST-RADIATION LEAD	2.00	2.00	0.00
THERAPIST-RADIATION	6.47	6.47	0.00
TRANSCRIPTIONIST	1.2	1.2	0.00
VALET/TRANSPORTER	1.2	1.2	0.00
PHYSICIST	(contract)	(contract)	0.00
Admin Director		1	1.00
RN Navigators		2	2.00
Mgr CME/Admin Sec		1	1.00
Med Director		1	1.00
Genetics Counselor		2	2.00
Total FTE's	77.28	92.88	15.60

FDA Approval

Section B, II, E, (1), a, 4



January 27, 1998

Robert Phillips, Ph.D. (HFZ-470)
Office of Device Evaluation
Center for Devices and Radiological Health
Food and Drug Administration
9200 Corporate Boulevard
Rockville, MD 20850

Ref. 1 510(k) No. K904364
Varian Clinac® 2100C

Ref. 2 510(k) No. K973889
Varian MultiLeaf Collimator
with Dynamic Arc Therapy

Ref. 3 DRAERD Oct. 15, 1996 Letter
(Attached)

Ref. 4 C. H. Will Feb. 26, 1997 Letter
to Dr. Phillips (Attached)

Dear Dr. Phillips,

This is to advise that Varian intends to market a medical linear accelerator under a name different from that which was reported in the premarket notification (Ref. 1).

Specifically, the product known as the Varian Clinac 2100C will continue to be sold under that name and will also be sold as the "Clinac 21EX". The Clinac 21EX will be an essentially identical hardware platform with similar mechanical motions, and with essentially identical control software. The machine will be manufactured to meet the same values for the beam characteristics of energy and depth dose, although with tightened tolerances, and tightened values of other beam parameters, such as flatness and symmetry. Some component changes will be made to heighten reliability factors.

Unlike the Clinac 2100C/D, the standard Clinac 21EX will be "bundled" with a MultiLeaf Collimator (MLC) with dynamic arc therapy (Ref. 2) and the Exact treatment couch (Ref. 3), and will be equipped to provide physiological gating (Ref. 4). Physiological monitors to provide the gating signals will not be included.

Varian Associates, Inc. 3045 Hanover Street Palo Alto, California 94304-1129 U.S.A.
415/493-4000 FAX 415/424-4830

Dr. Robert Phillips
Re: Varian Clinac 21EX
January 27, 1998

Page 2

Varian has discussed the Clinac 21EX with prospective customers, particularly in the Far East, and they are requesting Certificates for Products for Export that will include the Clinac 21EX. Varian will shortly apply for such certificates, and requests that ODE provide the necessary information to the Office of Compliance, Information Processing and Office Automation Branch.

Sincerely yours,



Charles H. Will, Manager
Regulatory Compliance & Safety
Varian Oncology Systems

Attachments



DEPARTMENT OF HEALTH & HUMAN SERVICES

C. Will 1/1/86
Public Health Service

OCT - 3 1986

Food and Drug Administration
8757 Georgia Avenue
Silver Spring MD 20910

Varian
Attn: Richard M. Levy
611 Hansen Way
Palo Alto, California 94303

Re: K862645/A
CLINAC (R) "C" SERIES
(400C, 600C, 2100C AND 2500C)
Dated: August 22, 1986
Received: August 28, 1986

Dear Mr. Levy:

We have reviewed your Section 510(k) notification of intent to market the above device and we have determined the device to be substantially equivalent to devices marketed in interstate commerce prior to May 28, 1976, the enactment date of the Medical Device Amendments. You may, therefore, market your device subject to the general controls provisions of the Federal Food, Drug, and Cosmetic Act (Act) until such time as your device has been classified under Section 513. At that time, if your device is classified into either class II (Performance Standards) or class III (Premarket Approval), it would be subject to additional controls. Please note: This action does not affect any obligation you might have under the Radiation Control for Health and Safety Act of 1968, or other Federal Laws or regulations.

General controls presently include regulations on annual registration, listing of devices, good manufacturing practice, labeling, and the misbranding and adulteration provisions of the Act. In the future, the scope of general controls may be broadened to include additional regulations.

All regulations and information on meetings of the device advisory committees, their recommendations, and the final decisions of the Food and Drug Administration (FDA) will be published in the Federal Register. We suggest you subscribe to this publication so you can convey your views to FDA if you desire and be notified of any additional requirements imposed on your device. Subscriptions may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Such information also may be reviewed in the Dockets Management Branch (HFA-305), Food and Drug Administration, Room 4-62, 5600 Fishers Lane, Rockville, Maryland 20857.

This letter does not in any way denote official FDA approval of your device or its labeling. Any representation that creates an impression of official approval of this device because of compliance with the premarket notification regulations is misleading and constitutes misbranding. If you desire advice on the labeling for your device or other information on your responsibilities under the Act, please contact the Office of Compliance, Division of Compliance Operations (HFZ-320), 8757 Georgia Avenue, Silver Spring, Maryland 20910.

Sincerely yours,

George C. Murray, Ph.D.
Director
Division of Anesthesiology, Neurology,
and Radiology Devices
Center for Devices and Radiological
Health



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service



Food and Drug Administration
9200 Corporate Boulevard
Rockville MD 20850

Ms. Vy Tran
Corporate Director of Regulatory Affairs
Varian Medical Systems, Inc.
3100 Hansen Way
PALO ALTO CA 94304-1038

JUL 27 2004

Re: K033343

Device Name: The Trilogy Radiotherapy Delivery System and the Clinac iX

Dated: July 21, 2004

Received: July 22, 2004

Dear Ms. Tran:

We have reviewed the information dated July 21, 2004, regarding the 510(k) notification K033343 previously submitted for the device referenced above. Based solely on the change or modification that you have described, it does not appear that you have significantly changed or modified the design, components, method of manufacture, or intended use of the device referenced above (see 21 CFR 807.81(a)(3)). Additionally, we did not review any data submitted with this add to file. It is, however, your responsibility to determine if the change or modification to the device or its labeling could significantly affect the device's safety or effectiveness and thus require submission of a new 510(k). Please refer to our guidance document entitled, "Deciding When to Submit a 510(k) for a Change to an Existing Device" at www.fda.gov/cdrh/ode/510kmod.html. The information you have supplied will be added to the file.

Sincerely yours,

for Nancy C. Brogdon
Director, Division of Reproductive,
Abdominal, and Radiological Devices
Office of Device Evaluation
Center for Devices and Radiological Health



DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

SEP 18 2009

Food and Drug Administration
10903 New Hampshire Avenue
Document Control Room - WO66-G609
Silver Spring, MD 20993-0002

Ms. Anne Schlagenhaft
Senior Regulatory Affairs Associate
Accuray, Inc.
1310 Chesapeake Terrace
SUNNYVALE CA 94089

Re: K091999

Trade/Device Name: CyberKnife VSI™ Robotic Radiosurgery System
Regulation Number: 21 CFR 892.5050
Regulation Name: Medical charged-particle radiation therapy system
Regulatory Class: II
Product Code: IYE
Dated: August 21, 2009
Received: August 24, 2009

Dear Ms. Schlagenhaft:

We have reviewed your Section 510(k) premarket notification of intent to market the device referenced above and have determined the device is substantially equivalent (for the indications for use stated in the enclosure) to legally marketed predicate devices marketed in interstate commerce prior to May 28, 1976, the enactment date of the Medical Device Amendments, or to devices that have been reclassified in accordance with the provisions of the Federal Food, Drug, and Cosmetic Act (Act) that do not require approval of a premarket approval application (PMA). You may, therefore, market the device, subject to the general controls provisions of the Act. The general controls provisions of the Act include requirements for annual registration, listing of devices, good manufacturing practice, labeling, and prohibitions against misbranding and adulteration.

If your device is classified (see above) into either class II (Special Controls) or class III (PMA), it may be subject to additional controls. Existing major regulations affecting your device can be found in the Code of Federal Regulations, Title 21, Parts 800 to 898. In addition, FDA may publish further announcements concerning your device in the Federal Register.

Please be advised that FDA's issuance of a substantial equivalence determination does not mean that FDA has made a determination that your device complies with other requirements of the Act or any Federal statutes and regulations administered by other Federal agencies. You must comply with all the Act's requirements, including, but not limited to: registration and listing (21 CFR Part 807); labeling (21 CFR Part 801); medical device reporting (reporting of medical

Page 2 -

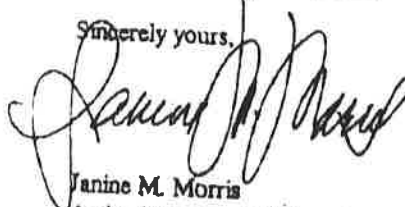
device related adverse events) (21 CFR 803); good manufacturing practice requirements as set forth in the quality systems (QS) regulation (21 CFR Part 820); and if applicable, the electronic product radiation control provisions (Sections 531-542 of the Act); 21 CFR 1000-1050.

If you desire specific advice for your device on our labeling regulation (21 CFR Part 801), please go to <http://www.fda.gov/AboutFDA/CentersOffices/CDRH/CDRHOffices/ucm115809.htm> for the Center for Devices and Radiological Health's (CDRH's) Office of Compliance. Also, please note the regulation entitled, "Misbranding by reference to premarket notification" (21 CFR Part 807.97). For questions regarding the reporting of adverse events under the MDR regulation (21 CFR Part 803), please go to

<http://www.fda.gov/MedicalDevices/Safety/ReportProblem/default.htm> for the CDRH's Office of Surveillance and Biometrics/Division of Postmarket Surveillance.

You may obtain other general information on your responsibilities under the Act from the Division of Small Manufacturers, International and Consumer Assistance at its toll-free number (800) 638-2041 or (301) 796-7100 or at its Internet address <http://www.fda.gov/MedicalDevices/ResourcesforYou/Industry/default.htm>.

Sincerely yours,



Janine M. Morris
Acting Director, Division of Reproductive,
Abdominal, and Radiological Devices
Office of Device Evaluation
Center for Devices and Radiological Health

Enclosure

Indications for Use

510(k) Number (if known): K091999

Device Name: CyberKnife VSI™ Robotic Radiosurgery System

Indications For Use:

The CyberKnife VSI™ Robotic Radiosurgery System is indicated for treatment planning and image guided stereotactic radiosurgery and precision radiotherapy for lesions, tumors and conditions anywhere in the body when radiation treatment is indicated.

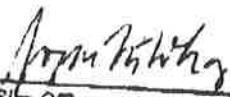
Prescription Use ☒
(Part 21 CFR 801 Subpart D)

AND/OR

Over-The-Counter Use _____
(21 CFR 807 Subpart C)

(PLEASE DO NOT WRITE BELOW THIS LINE-CONTINUE ON ANOTHER
PAGE IF NEEDED)

Concurrence of CDRH, Office of Device Evaluation (ODE)


(Division Sign-Off)
Division of Reproductive, Abdominal,
and Radiological Devices
510(k) Number K091999

Page 1 of _____

510(K) Decision – Discovery ST Alternate BGO (8X6) detector

The current Discovery ST Detector consists of 24 detector rings of bismuth germanate (BGO) crystals, with each detector having individual crystals arranged in a 6X6 matrix.

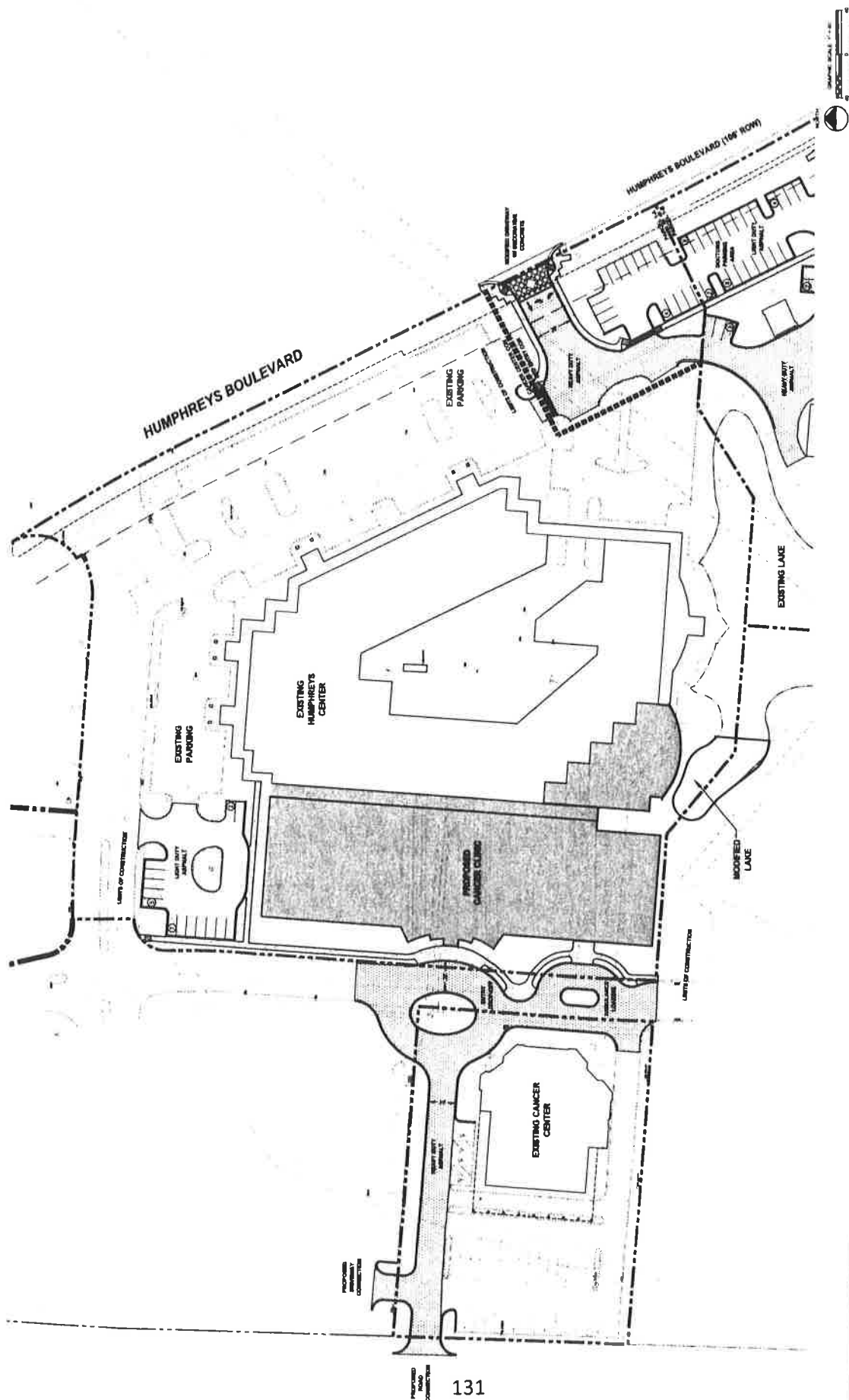
The alternate detector is identical except that each detector has BGO crystals in an 8X6 matrix. This detector will have an improved hardware resolution specification as compared to the current 6X6 BGO detector. Acquisition electronics and reconstruction algorithms may be modified as needed to accommodate the alternate detector. There are no other significant changes in design, fundamental technology, construction, materials, performance, or labeling associated with use of this alternate detector. There is no change in intended use.

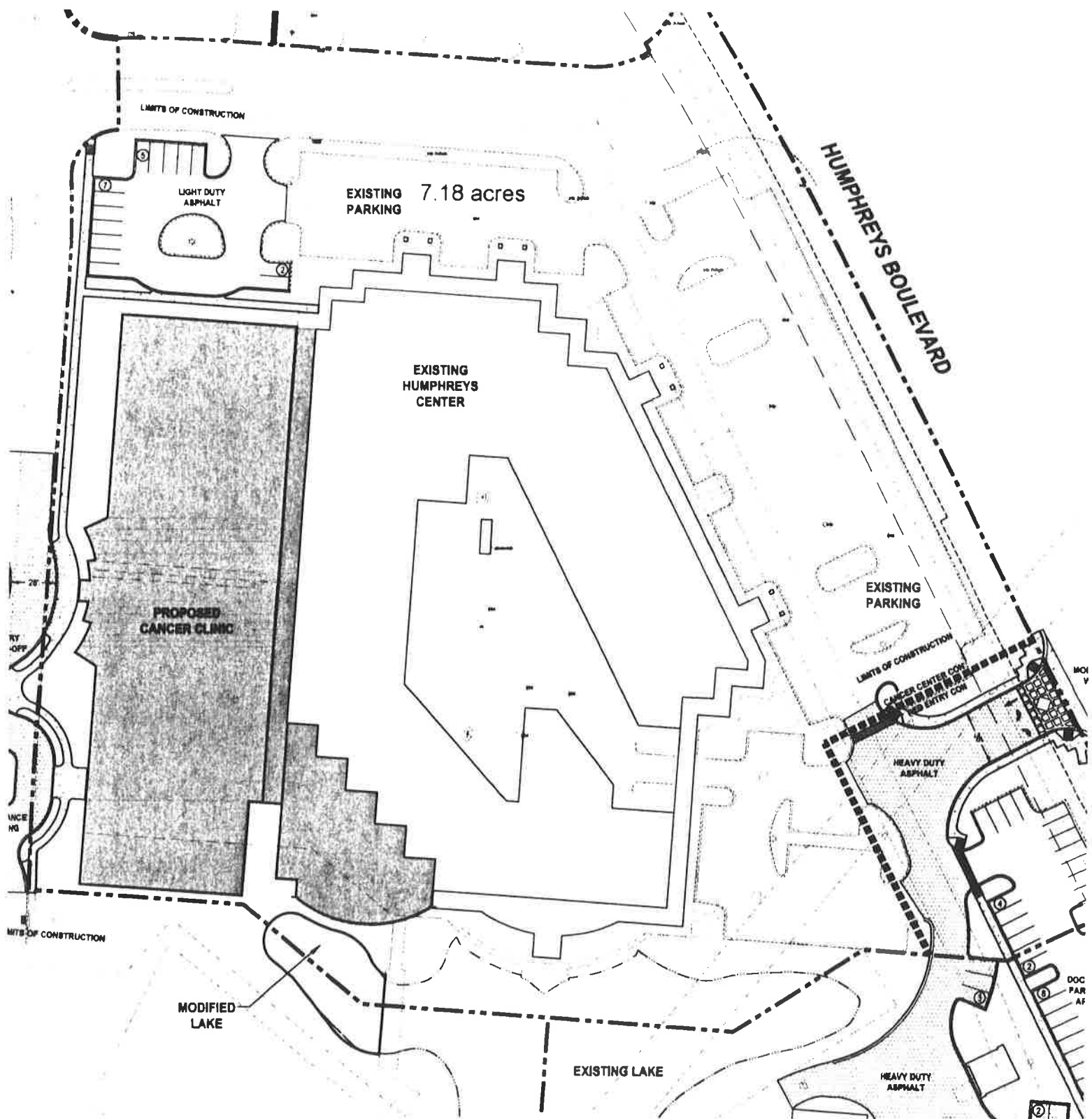
A minor change in detector geometry and an incremental increase in resolution are not expected to raise new questions of safety or effectiveness.

Since this detector does not introduce new intended uses, does not otherwise introduce significant changes to the system, and does not represent a significant change in safety or effectiveness, it is concluded, per the attached flowchart, that a 510(k) is not required.

Plot Plan

Section B, III, A (1)





CONCEPTUAL SITE PLAN

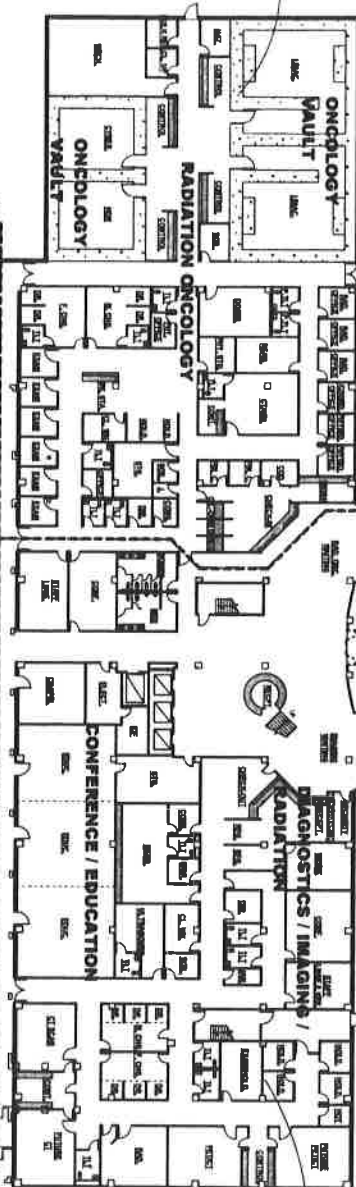
NOVEMBER 5, 2012

BAP

Floor Plan

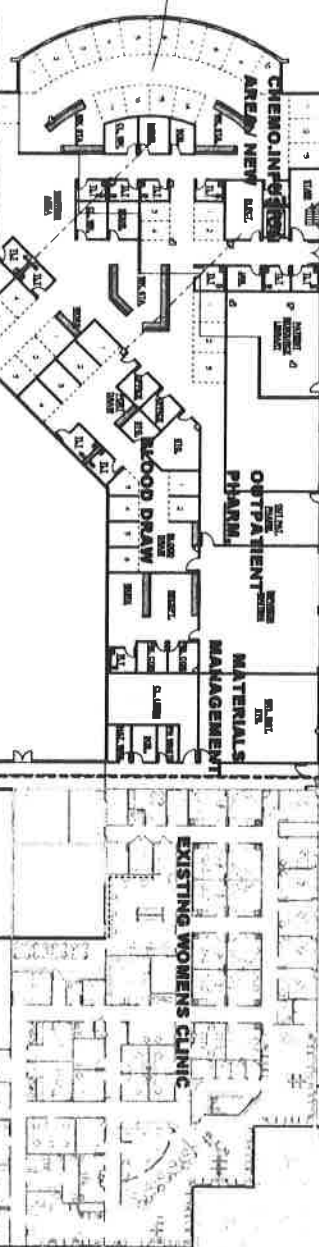
Section B, IV

**FIRST FLOOR
PART B**



**FIRST FLOOR
PART A**

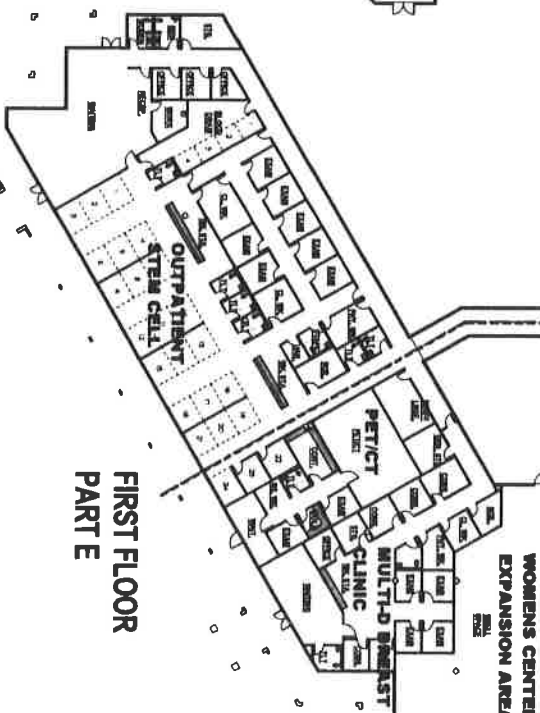
**FIRST FLOOR
PART C**



**FIRST FLOOR
PART D**



**FIRST FLOOR
PART E**



1ST FLOOR MASTER PLAN



Eastman-Sutton Associates, Inc.
1000 E. Main Street
Memphis, TN 38103
901-525-1234
Fax: 901-525-1235
www.esandson.com

SCHEMATIC DESIGN
PHASE I
NOT FOR CONSTRUCTION

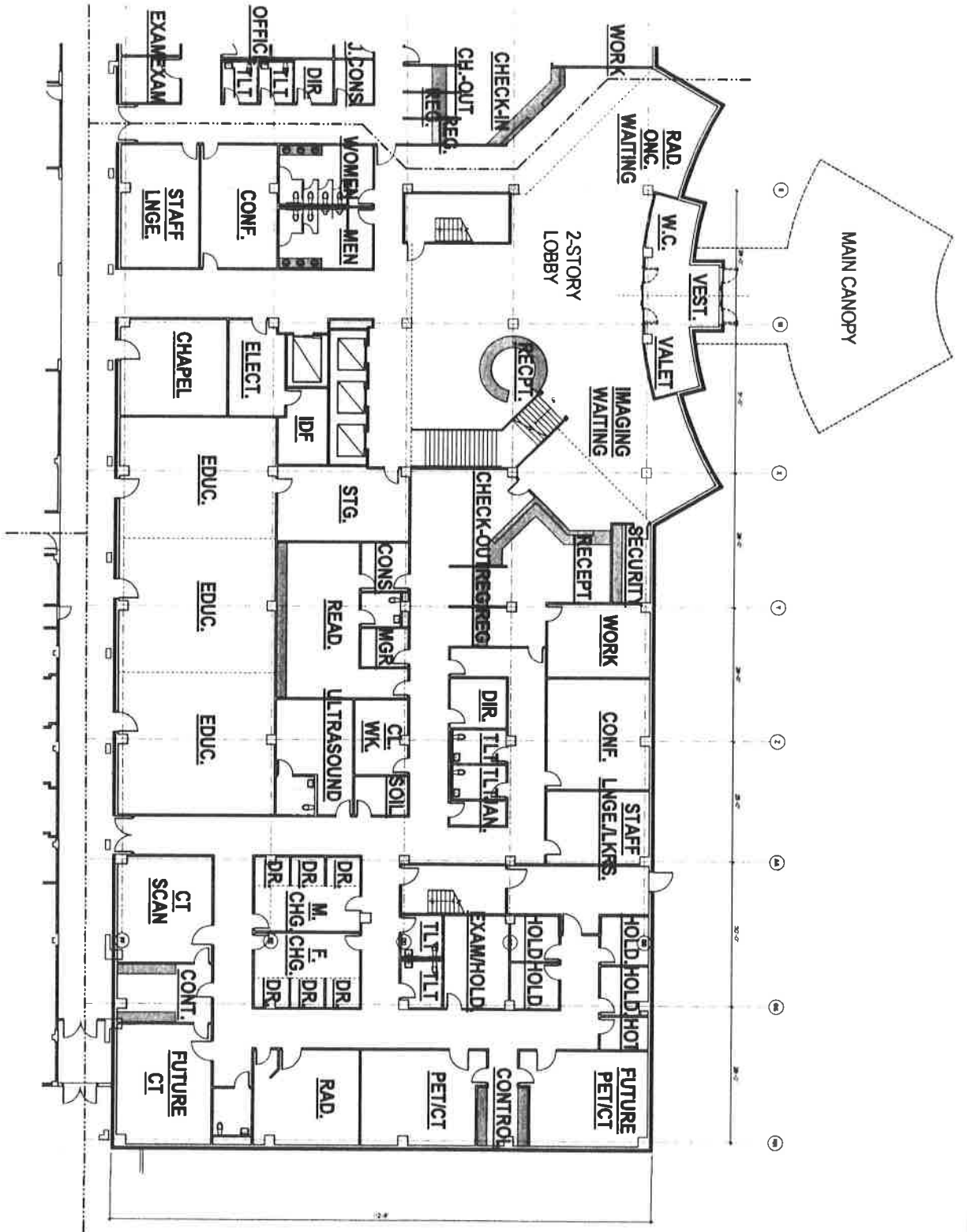
**134
BMHCC Integrated Cancer Center**

MEMPHIS, TENNESSEE

NO.	DATE	DESCRIPTION
1	10/1/00	SCHEMATIC DESIGN
2	10/1/00	PHASE I
3	10/1/00	PHASE II
4	10/1/00	PHASE III
5	10/1/00	PHASE IV
6	10/1/00	PHASE V
7	10/1/00	PHASE VI
8	10/1/00	PHASE VII
9	10/1/00	PHASE VIII
10	10/1/00	PHASE IX
11	10/1/00	PHASE X
12	10/1/00	PHASE XI
13	10/1/00	PHASE XII
14	10/1/00	PHASE XIII
15	10/1/00	PHASE XIV
16	10/1/00	PHASE XV
17	10/1/00	PHASE XVI
18	10/1/00	PHASE XVII
19	10/1/00	PHASE XVIII
20	10/1/00	PHASE XIX
21	10/1/00	PHASE XX
22	10/1/00	PHASE XXI
23	10/1/00	PHASE XXII
24	10/1/00	PHASE XXIII
25	10/1/00	PHASE XXIV
26	10/1/00	PHASE XXV
27	10/1/00	PHASE XXVI
28	10/1/00	PHASE XXVII
29	10/1/00	PHASE XXVIII
30	10/1/00	PHASE XXIX
31	10/1/00	PHASE XXX
32	10/1/00	PHASE XXXI
33	10/1/00	PHASE XXXII
34	10/1/00	PHASE XXXIII
35	10/1/00	PHASE XXXIV
36	10/1/00	PHASE XXXV
37	10/1/00	PHASE XXXVI
38	10/1/00	PHASE XXXVII
39	10/1/00	PHASE XXXVIII
40	10/1/00	PHASE XXXIX
41	10/1/00	PHASE XL
42	10/1/00	PHASE XLI
43	10/1/00	PHASE XLII
44	10/1/00	PHASE XLIII
45	10/1/00	PHASE XLIV
46	10/1/00	PHASE XLV
47	10/1/00	PHASE XLVI
48	10/1/00	PHASE XLVII
49	10/1/00	PHASE XLVIII
50	10/1/00	PHASE XLIX
51	10/1/00	PHASE L
52	10/1/00	PHASE LI
53	10/1/00	PHASE LII
54	10/1/00	PHASE LIII
55	10/1/00	PHASE LIV
56	10/1/00	PHASE LV
57	10/1/00	PHASE LVI
58	10/1/00	PHASE LVII
59	10/1/00	PHASE LVIII
60	10/1/00	PHASE LVIX
61	10/1/00	PHASE LX
62	10/1/00	PHASE LXI
63	10/1/00	PHASE LXII
64	10/1/00	PHASE LXIII
65	10/1/00	PHASE LXIV
66	10/1/00	PHASE LXV
67	10/1/00	PHASE LXVI
68	10/1/00	PHASE LXVII
69	10/1/00	PHASE LXVIII
70	10/1/00	PHASE LXIX
71	10/1/00	PHASE LXX
72	10/1/00	PHASE LXXI
73	10/1/00	PHASE LXXII
74	10/1/00	PHASE LXXIII
75	10/1/00	PHASE LXXIV
76	10/1/00	PHASE LXXV
77	10/1/00	PHASE LXXVI
78	10/1/00	PHASE LXXVII
79	10/1/00	PHASE LXXVIII
80	10/1/00	PHASE LXXIX
81	10/1/00	PHASE LXXX
82	10/1/00	PHASE LXXXI
83	10/1/00	PHASE LXXXII
84	10/1/00	PHASE LXXXIII
85	10/1/00	PHASE LXXXIV
86	10/1/00	PHASE LXXXV
87	10/1/00	PHASE LXXXVI
88	10/1/00	PHASE LXXXVII
89	10/1/00	PHASE LXXXVIII
90	10/1/00	PHASE LXXXIX
91	10/1/00	PHASE LXXXX
92	10/1/00	PHASE LXXXXI
93	10/1/00	PHASE LXXXXII
94	10/1/00	PHASE LXXXXIII
95	10/1/00	PHASE LXXXXIV
96	10/1/00	PHASE LXXXXV
97	10/1/00	PHASE LXXXXVI
98	10/1/00	PHASE LXXXXVII
99	10/1/00	PHASE LXXXXVIII
100	10/1/00	PHASE LXXXXIX
101	10/1/00	PHASE LXXXXX
102	10/1/00	PHASE LXXXXXI
103	10/1/00	PHASE LXXXXXII
104	10/1/00	PHASE LXXXXXIII
105	10/1/00	PHASE LXXXXXIV
106	10/1/00	PHASE LXXXXXV
107	10/1/00	PHASE LXXXXXVI
108	10/1/00	PHASE LXXXXXVII
109	10/1/00	PHASE LXXXXXVIII
110	10/1/00	PHASE LXXXXXIX
111	10/1/00	PHASE LXXXXXX
112	10/1/00	PHASE LXXXXXXI
113	10/1/00	PHASE LXXXXXXII
114	10/1/00	PHASE LXXXXXXIII
115	10/1/00	PHASE LXXXXXXIV
116	10/1/00	PHASE LXXXXXXV
117	10/1/00	PHASE LXXXXXXVI
118	10/1/00	PHASE LXXXXXXVII
119	10/1/00	PHASE LXXXXXXVIII
120	10/1/00	PHASE LXXXXXXIX
121	10/1/00	PHASE LXXXXXXX
122	10/1/00	PHASE LXXXXXXXI
123	10/1/00	PHASE LXXXXXXXII
124	10/1/00	PHASE LXXXXXXXIII
125	10/1/00	PHASE LXXXXXXXIV
126	10/1/00	PHASE LXXXXXXXV
127	10/1/00	PHASE LXXXXXXXVI
128	10/1/00	PHASE LXXXXXXXVII
129	10/1/00	PHASE LXXXXXXXVIII
130	10/1/00	PHASE LXXXXXXXIX
131	10/1/00	PHASE LXXXXXXX
132	10/1/00	PHASE LXXXXXXXI
133	10/1/00	PHASE LXXXXXXXII
134	10/1/00	PHASE LXXXXXXXIII
135	10/1/00	PHASE LXXXXXXXIV
136	10/1/00	PHASE LXXXXXXXV
137	10/1/00	PHASE LXXXXXXXVI
138	10/1/00	PHASE LXXXXXXXVII
139	10/1/00	PHASE LXXXXXXXVIII
140	10/1/00	PHASE LXXXXXXXIX
141	10/1/00	PHASE LXXXXXXX
142	10/1/00	PHASE LXXXXXXXI
143	10/1/00	PHASE LXXXXXXXII
144	10/1/00	PHASE LXXXXXXXIII
145	10/1/00	PHASE LXXXXXXXIV
146	10/1/00	PHASE LXXXXXXXV
147	10/1/00	PHASE LXXXXXXXVI
148	10/1/00	PHASE LXXXXXXXVII
149	10/1/00	PHASE LXXXXXXXVIII
150	10/1/00	PHASE LXXXXXXXIX
151	10/1/00	PHASE LXXXXXXX
152	10/1/00	PHASE LXXXXXXXI
153	10/1/00	PHASE LXXXXXXXII
154	10/1/00	PHASE LXXXXXXXIII
155	10/1/00	PHASE LXXXXXXXIV
156	10/1/00	PHASE LXXXXXXXV
157	10/1/00	PHASE LXXXXXXXVI
158	10/1/00	PHASE LXXXXXXXVII
159	10/1/00	PHASE LXXXXXXXVIII
160	10/1/00	PHASE LXXXXXXXIX
161	10/1/00	PHASE LXXXXXXX
162	10/1/00	PHASE LXXXXXXXI
163	10/1/00	PHASE LXXXXXXXII
164	10/1/00	PHASE LXXXXXXXIII
165	10/1/00	PHASE LXXXXXXXIV
166	10/1/00	PHASE LXXXXXXXV
167	10/1/00	PHASE LXXXXXXXVI
168	10/1/00	PHASE LXXXXXXXVII
169	10/1/00	PHASE LXXXXXXXVIII
170	10/1/00	PHASE LXXXXXXXIX
171	10/1/00	PHASE LXXXXXXX
172	10/1/00	PHASE LXXXXXXXI
173		

DIAGNOSTICS / IMAGING / RADIATION - CONFERENCE / EDUCATION

FIRST FLOOR PLAN PART A



135

BMHCC Integrated Cancer Center

MEMPHIS, TENNESSEE

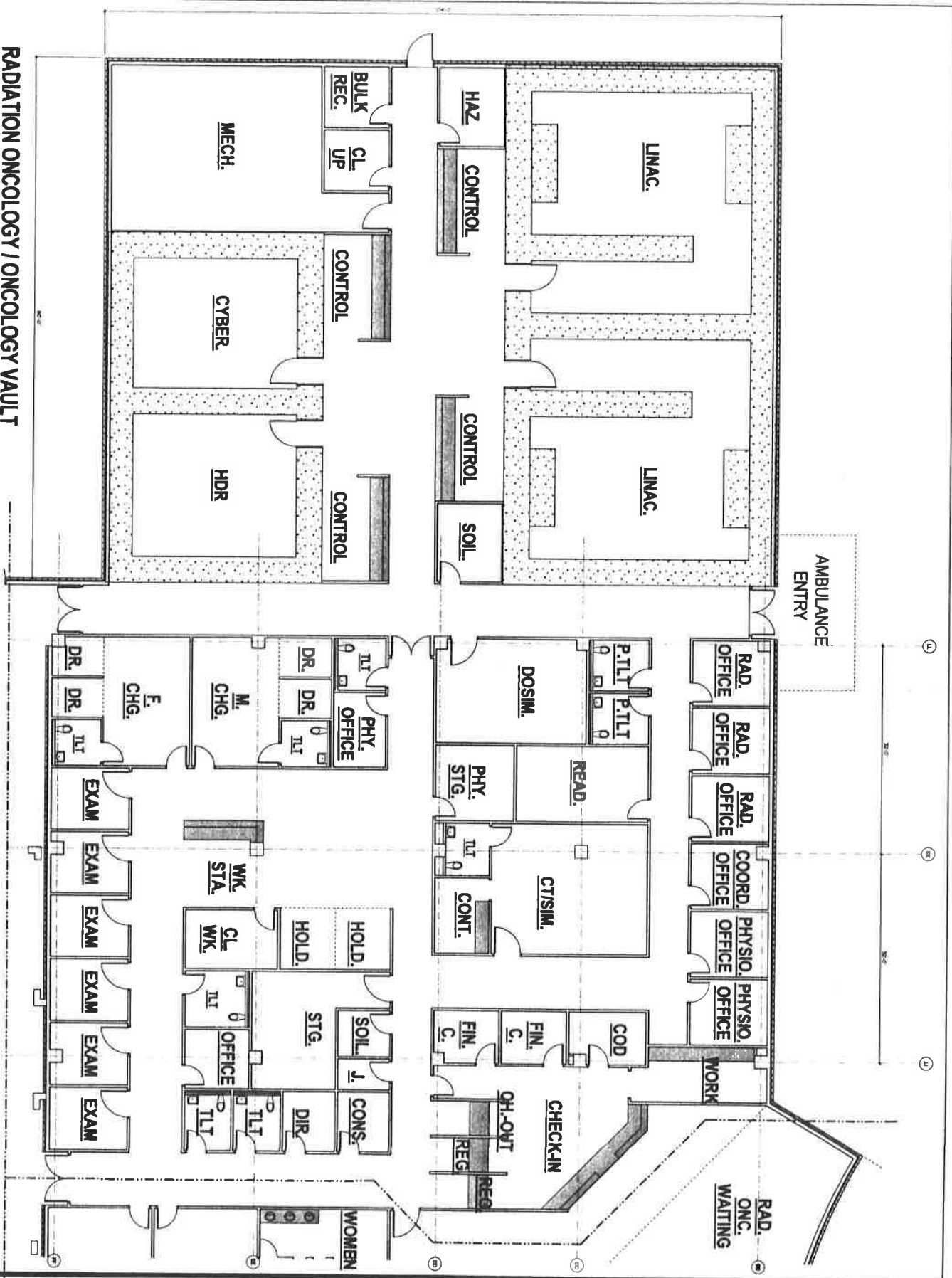
SCHEMATIC DESIGN
BEST FOR CONSTRUCTION

1A

FIRST FLOOR PLAN
PART A

RADIATION ONCOLOGY / ONCOLOGY VAULT

1 FIRST FLOOR PLAN PART B



AMBULANCE
ENTRY

RAD.
ONC.
WAITING

DATE	11/07/17
BY	11/07/17
REVISION	11/07/17
DESCRIPTION	11/07/17
1	11/07/17
2	11/07/17
3	11/07/17
4	11/07/17
5	11/07/17
6	11/07/17
7	11/07/17
8	11/07/17
9	11/07/17
10	11/07/17

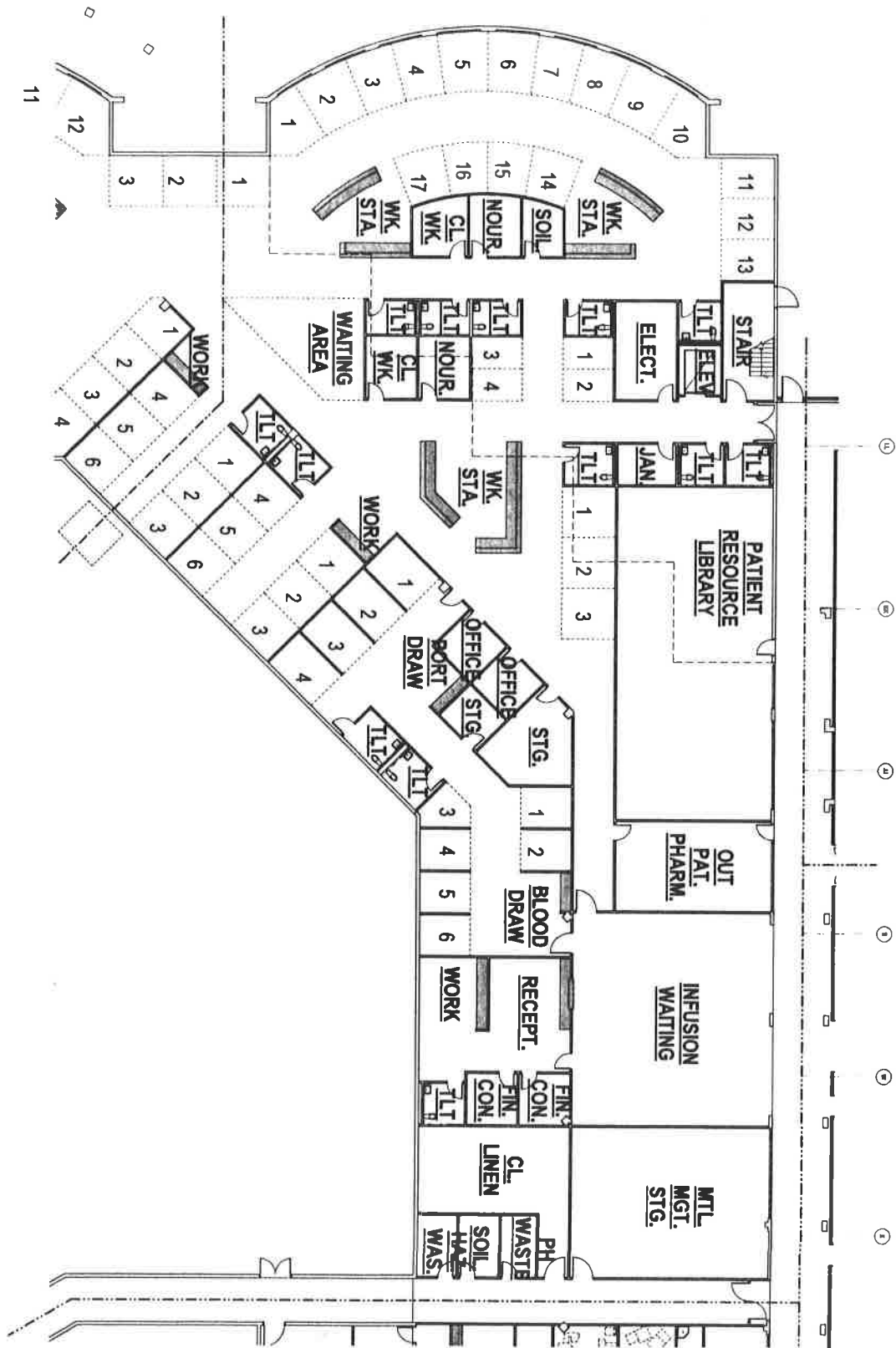
ES&S

East Tennessee State University, Inc.
1000 University Blvd., Room 1000
Knoxville, TN 37996
615-974-2345
www.esandsonline.com

Architectural Services
Interior Design
Construction Management
Graphic Design
Landscape Architecture
Urban Planning
Historic Preservation
Environmental Design
Community Development
Public Works
Transportation
Water Resources
Energy
Healthcare
Education
Government
Private Industry

1000 University Blvd., Room 1000
Knoxville, TN 37996
615-974-2345
www.esandsonline.com

CHEMO INFUSION AREA / FAMILY RESOURCE CENTER FIRST FLOOR PLAN PART C



1C

DATE	10/1/00
BY	ARCHITECT
REVISION	1
DESCRIPTION	CHANGING ROOMS
DATE	10/1/00
BY	ARCHITECT
REVISION	2
DESCRIPTION	CHANGING ROOMS
DATE	10/1/00
BY	ARCHITECT
REVISION	3
DESCRIPTION	CHANGING ROOMS

137
BMHCC Integrated Cancer Center

MEMPHIS, TENNESSEE

ES&S
Environmental Science & Services, Inc.
2700 Poplar Avenue, Suite 200
Memphis, Tennessee 38104
Phone: 901.521.1773
Fax: 901.521.1774
The design of this project is subject to the availability of the necessary permits and approvals from the appropriate regulatory agencies. The design is not to be used for construction without the approval of the design professional.

 FIRST FLOOR PLAN PART E



**SHELL
SPACE**

SEE

BMHCC Integrated Cancer Center

MEMPHIS, TENNESSEE

ESa

contact: eddy arocha
 7702, where first Avenue, Suite 1200
 Montevideo, Uruguay
 telephone: +598 2331 37201
 011-225-0443

As compared to other types of equipment, the use of a portable pump is often the only solution for the most difficult situations of a flooded building.

C. E. Rios, *Author*
 Editor

SCHEMATIC DESIGN

**PRELIMINARY
NOT FOR CONSTRUCTION**

100

1000

nter

r Ce

ance

39
ed Ca
TENNESSEE

13
grate
MPHS, TO

ME

CC I

BMH

Δ

Company	SOFTWARE DESIGN
Year Began	1962

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	-----

FIRST FLOOR PLAN
PART E

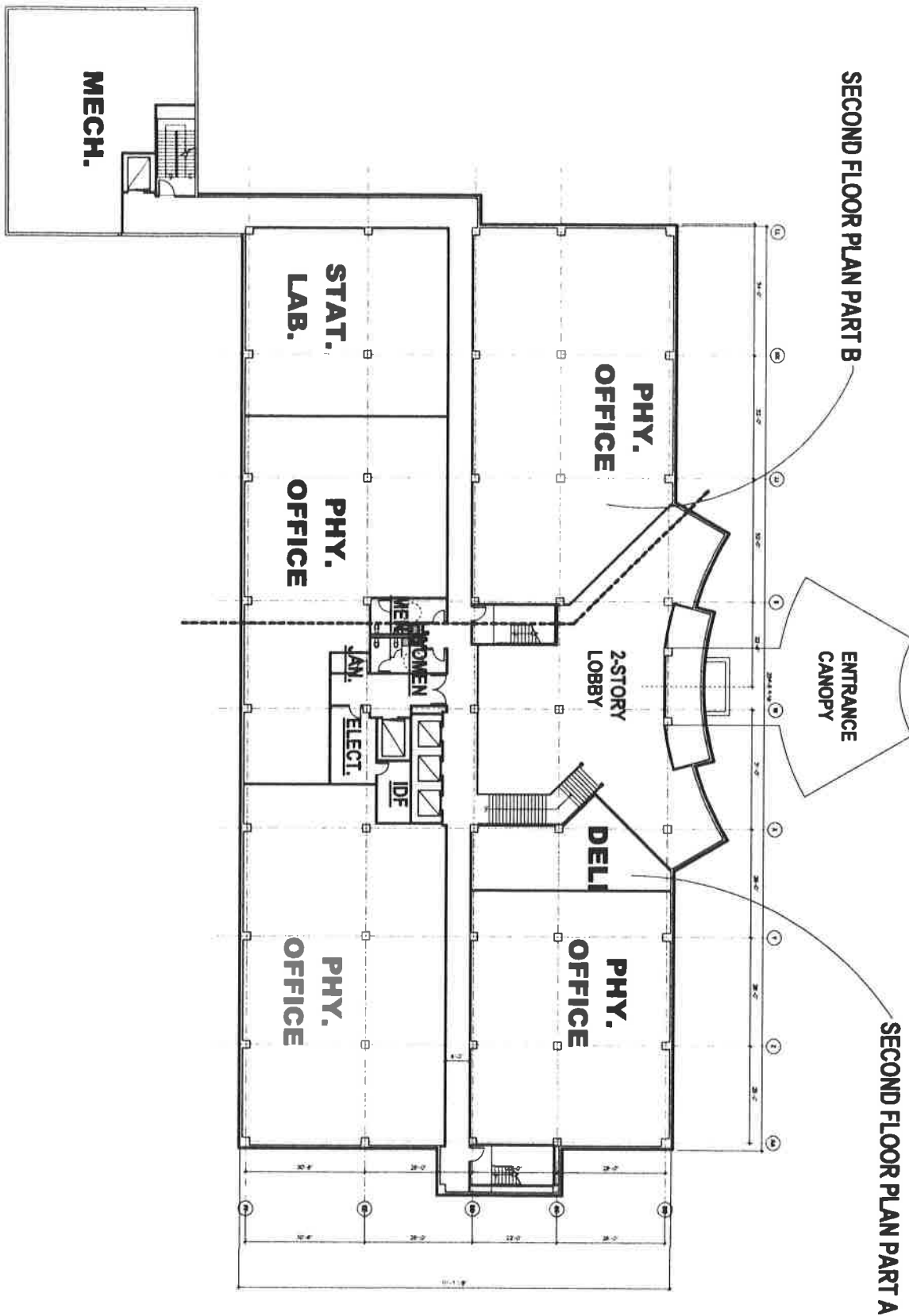
11

TE



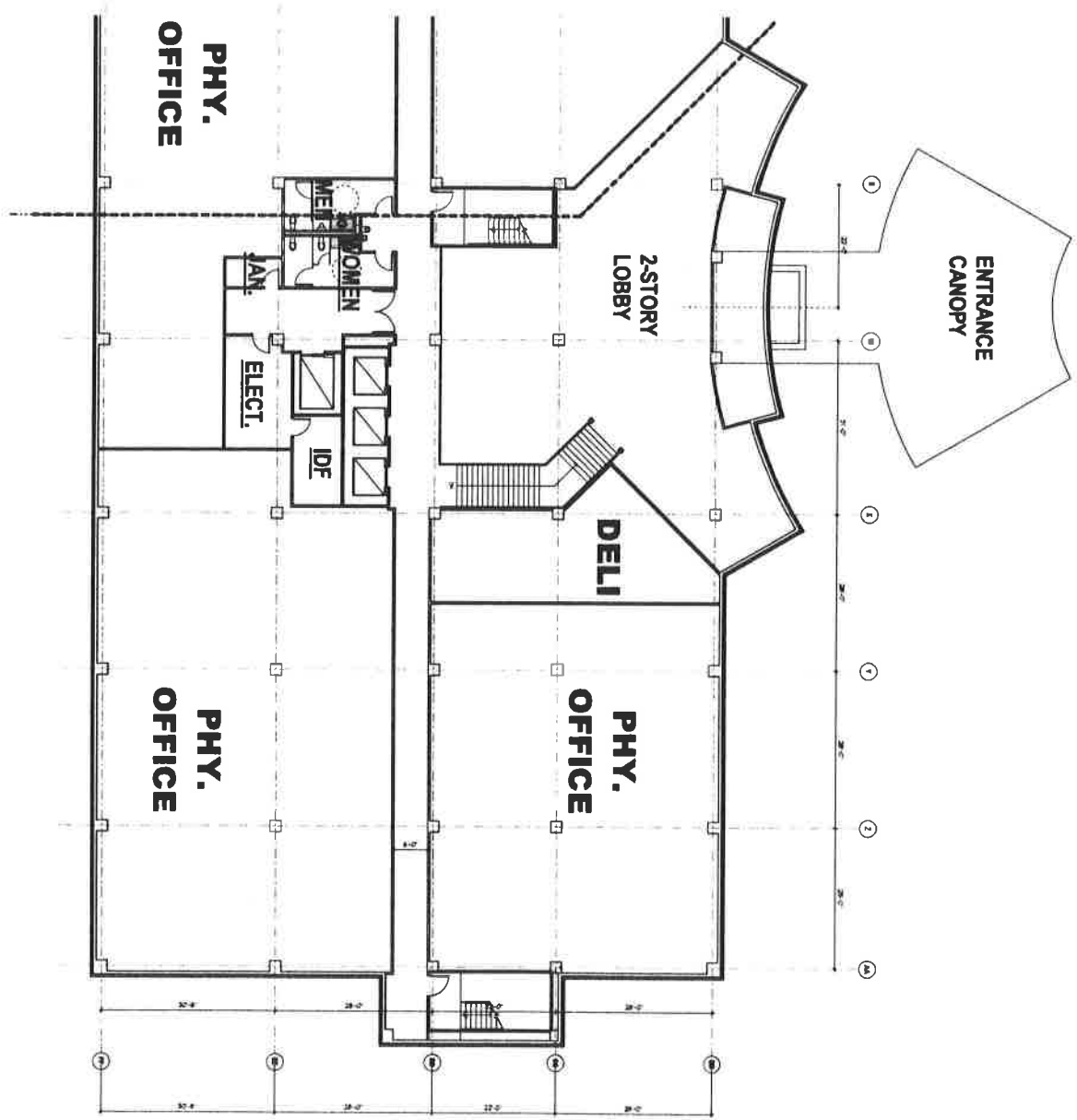
SECOND FLOOR MASTERPLAN

2ND FLOOR MASTER PLAN



PHYSICIAN OFFICE / DELI

1 SECOND FLOOR PLAN PART A



ES&S
 Environmental Science & Safety
 10000 Highway 100, Suite 100
 Knoxville, Tennessee 37921
 423.529.1234
 Fax: 423.529.1235
 E-mail: info@ess-usa.com
 Web: www.ess-usa.com

ES&S
 ENVIRONMENTAL SCIENCE & SAFETY
 NOT FOR CONSTRUCTION

141
 BMHCC Integrated Cancer Center

MEMPHIS, TENNESSEE

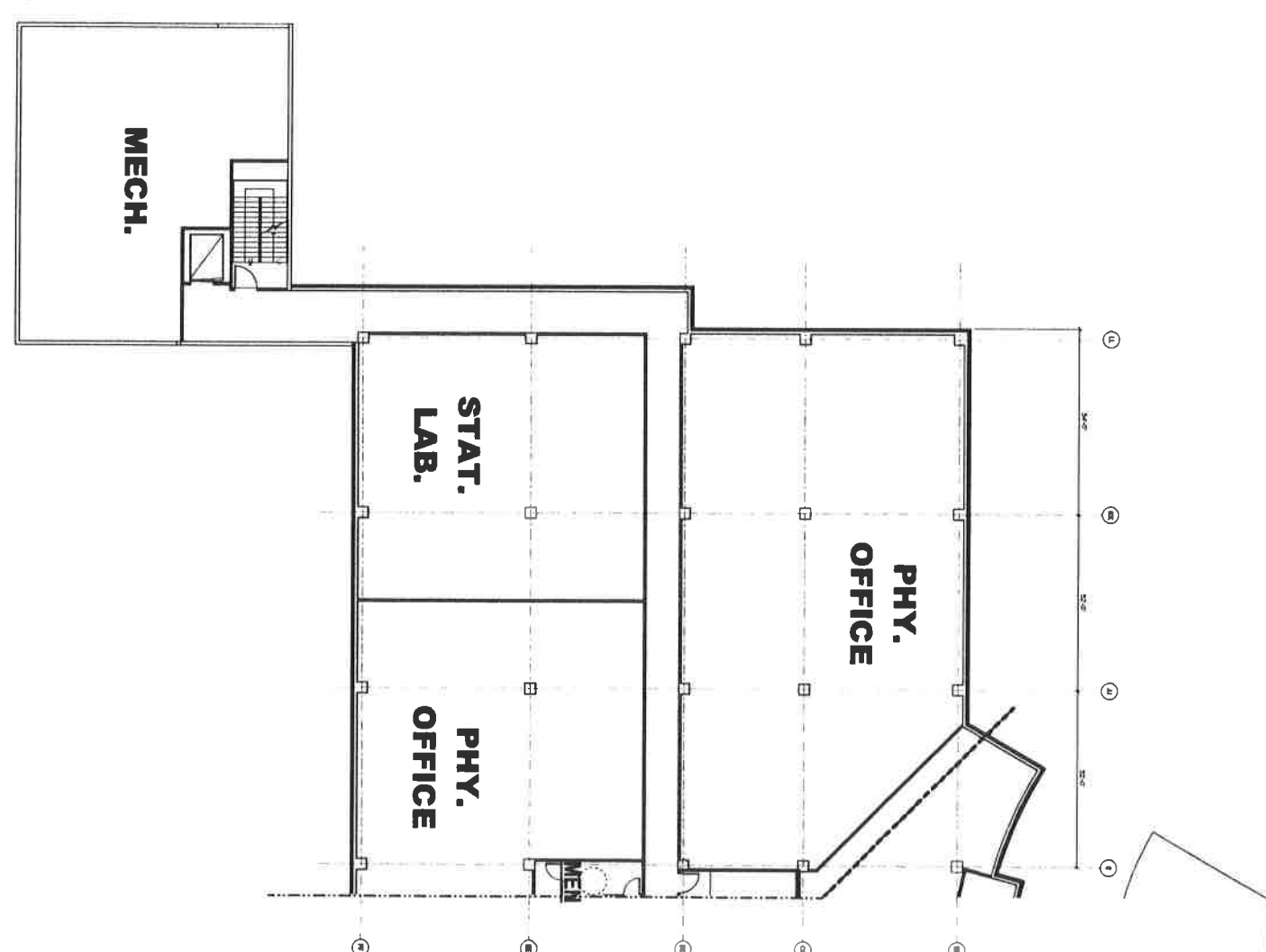
NO.	REVISION	DATE	BY	CHKD.
1	ISSUED FOR PERMIT	11/11/14	ES&S	ES&S
2	REVISED FOR CONSTRUCTION	12/1/14	ES&S	ES&S

SECOND FLOOR
 PLAN PART A

2A

STAT LAB / PHY. OFFICE / MECH.

1 SECOND FLOOR PLAN PART B



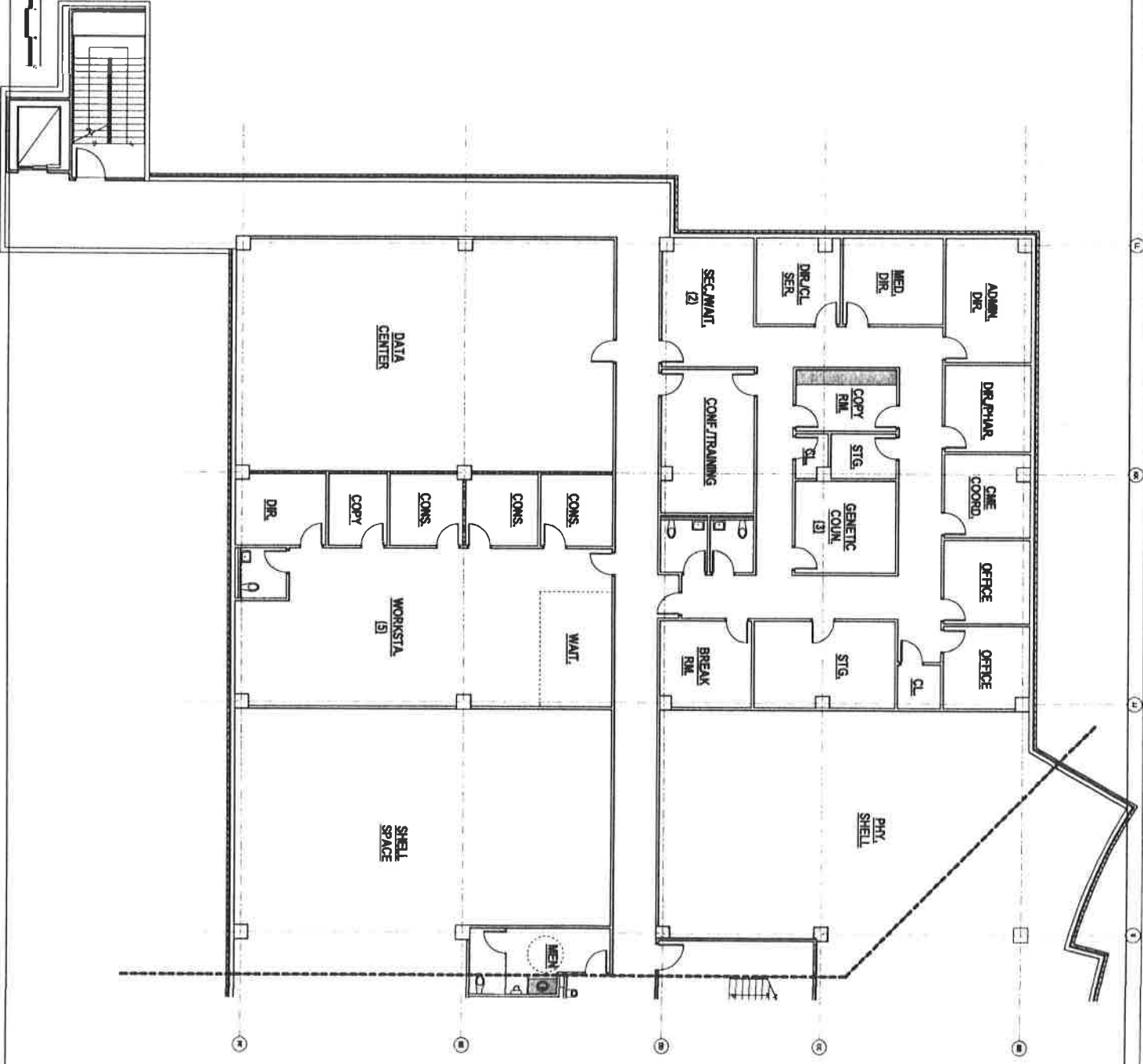
Project Name	142 BMHCC Integrated Cancer Center
Project Number	142
Client	BMHCC
Architect	ES&S Engineering, Inc.
Engineer	[Signature]
Date	10/10/2018

THIRD FLOOR PLAN PART B



**ADMINISTRATION / DATA
CENTER / GENETICS**

THIRD FLOOR PLAN PART B



ES&S
1001 Peachtree Industrial Blvd.
Atlanta, Georgia 30329
404/525-8800
FAX 404/525-8801
www.esandsonline.com

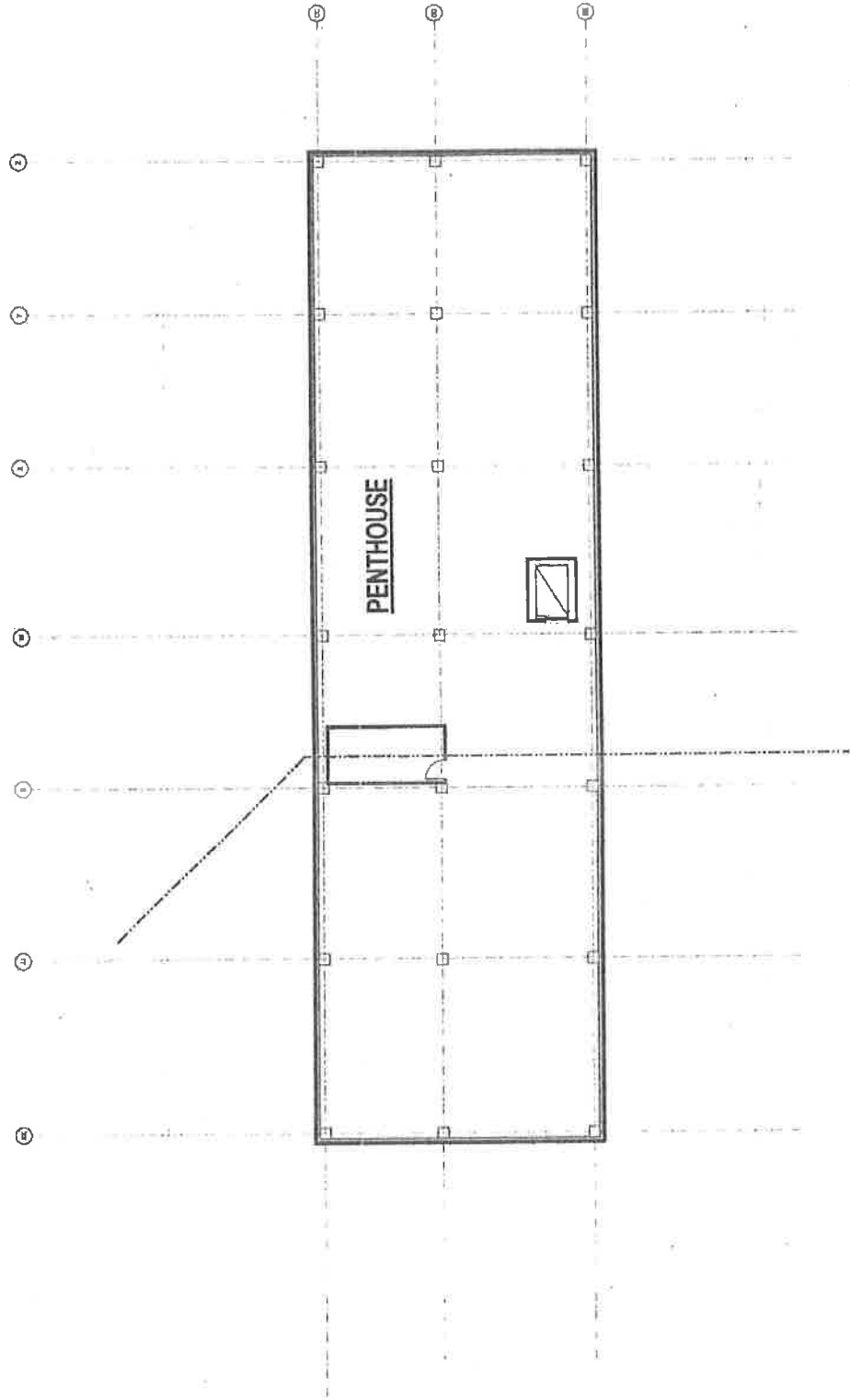
PROJECT SUMMARY
NOT FOR CONSTRUCTION

145
BMHCC Integrated Cancer Center

MEMPHIS, TENNESSEE

THIRD FLOOR PLAN
PART B

3B



PENTHOUSE FLOOR PLAN
 PENTHOUSE FLOOR PLAN

Intentionally Omitted

Intentionally Omitted

Intentionally Omitted

Intentionally Omitted

Intentionally Omitted

Service Area Map

Section C, 3

Utilization of Linear Accelerators & PET/CT

Need, 5

Utilization for Linear Accelerators

The annual utilization of all linear accelerators within the applicant's declared service area for the three previously reported years below.

	Location	2009	2009	2010	2010	2011	2011	2011
	County	No. of Linacs	Utilization	No. of Linacs	Utilization	No. of Linacs	Utilization	% Guidelines for Growth Utilization Std
Baptist Memorial Hospital-Memphis **	Shelby	3		3		4		
Patients			713		701		635	
Treatments			11,352		10,989		11,431	48%
Methodist Healthcare - University Hospital	Shelby	3		3		3		
Patients			605		N/A		N/A	
Treatments			15,196		21,287		21,049	117%
The Med	Shelby	1		1		0		
Patients			159		84		0	
Treatments			2,935		87		0	0%
St Francis	Shelby	2		2		2		
Patients			513		N/A		N/A	
Treatments			7,278		7,508		7,576	63%
St Jude	Shelby	2		2		2		
Patients			239		203		231	
Treatments			6,473		5,789		4,800	40%
Uni. Of TN Cancer Institute-Bartlett	Shelby	1		1		1		
Patients			NA		??		382	
Treatments			5,513		7,365		5,270	88%
Memphis Regional Gamma Knife Center **						1		
Patients								
Treatments							180	3%
Total		12		12		13		
Patients								
Treatments			48,747		53,025		50,306	

** NOTE: Includes data for cyberknife/gamma knife in 2011

PET AND PET/CT UTILIZATION

The annual utilization of all PET & PET/CT within the applicant's declared service area for the three previously reported years below.

	Location	2009	2009	2010	2010	2011	2011	2011
	County	No. of PETs & PET/CTs	Utilization	No. of PETs & PET/CTs	Utilization	No. of PETs & PET/CTs	Utilization	% Guidelines for Growth Utilization Std
Baptist Memorial Hospital - Memphis	Shelby	1		1		1		
Patients			762		602			
Procedures			854		683		1,060	66%
Central Memphis Regional PET Imaging Center LLC	Shelby	1		1		1		
Patients								
Procedures							*	*
East Memphis PET Imaging Center LLC	Shelby	1		1		1		
Patients								
Procedures			657		582		543	34%
Methodist Healthcare - University Hospital	Shelby	1		1		1		
Patients								
Procedures			914		784		880	55%
St Jude	Shelby	1		1		1		
Patients								
Procedures			831		852		805	50%
Univ. of TN Cancer Institute - Germantown	Shelby	1		1		1		
Patients								
Procedures			1,170		1,142		891	56%
The West Clinic	Shelby	1		1		1		
Patients								
Procedures			1,822		1,367		2,043	128%
Total								
Patients								
Procedures			6,248		5,410		6,222	

Architect Letter and Equipment Quotes

Economic Feasibility 1

November 12, 2012

Ms. Melanie Hill
Executive Director
Tennessee Health Services and Development Agency
8th Floor – Andrew Jackson Building, Suite 850
Nashville, TN 37242

**RE: MODIFICATION OF CN1105-018A
BAPTIST CENTER FOR CANCER CARE
BAPTIST MEMORIAL HOSPITAL – TIPTON**

Dear Ms. Hill:

This letter will affirm that to the best of our knowledge, the design intended for the construction of the referenced facility will be in accordance with the following primary codes and standards. This listing may not be entirely inclusive but the intent is for all applicable codes and standards, State or Local, to be addressed during the design process.

- AIA Guidelines for the Design and Construction of Healthcare Facilities
- Standard Building Code (current edition enforced at the time of plan submission)
- Standard Mechanical Code
- Standard Plumbing Code
- Standard Gas Code
- NFPA Life Safety Code
- Rules of Tennessee Department of Health and Environment Board for Licensing Healthcare Facilities
- Americans with Disabilities Act
- North Carolina Handicap Code

Thank you.

Sincerely,

EARL SWENSSON ASSOCIATES, INC.



Harold D. Petty, AIA
Director of Medical Design/Principal

November 12, 2012

Ms. Melanie Hill
Executive Director
Tennessee Health Services and Development Agency
8th Floor – Andrew Jackson Building, Suite 850
Nashville, TN 37242

**RE: MODIFICATION OF CN1105-018A
BAPTIST CENTER FOR CANCER CARE
BAPTIST MEMORIAL HOSPITAL – TIPTON**


Dear Ms. Hill:

This letter will denote that ESa has reviewed the site preparation and construction costs indicated as \$1,111,695 and \$33,605,000 for the referenced project and find the costs to be reasonable for the described scope of work. The construction costs have considered recent market conditions and inflation projections. We have also estimated Architectural and Engineering fees of \$2,737,942 for the project.

Thank you.

Sincerely,

EARL SWENSSON ASSOCIATES, INC.



Harold D. Petty, AIA
Director of Medical Design/Principal

Quotation For:

Ric Ransom
Baptist Centers for Cancer Care
Radiation Oncology Center
55 Humphreys Center Drive
Suite 100
Memphis, TN 38120
(901) 226 - 0340 FAX: () -

Please address inquiries and replies to:

Mark Zawodny
Varian Medical Systems
2250 Newmarket Parkway
Suite 120
Marietta, GA 30067
(770) 955 - 1367 FAX: (678) 255 - 3850
mark.zawodny@varian.com

<i>Your Reference:</i>	<i>Quotation Firm Until:</i> June 1, 2012
<i>FOB Point:</i> US1 FOB: Origin Inc. Freight & Ins.	<i>Shipping Allocation:</i> 1 Year ARO
<i>Payment Terms:</i>	Varian Terms and Conditions of Sale 1652U Attached

TrueBeam STx - Stereotactic System
RapidArc Planning
Rapidarc Ops

<p>Baptist Centers for Cancer Care</p> <p>Quotation Total of: USD \$4,247,820 Accepted by:</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>For this purchase, we designate <u>NOVATION</u> as our Institution's Primary Group Purchasing Organization affiliation. Any change will be indicated below:</p> <p> <input type="checkbox"/> AmeriNet <input type="checkbox"/> Aptium <input type="checkbox"/> BJC <input type="checkbox"/> Broadlane <input type="checkbox"/> CHW <input type="checkbox"/> Consorta/HPG <input type="checkbox"/> KP Select <input type="checkbox"/> Magnet <input type="checkbox"/> Matrix <input type="checkbox"/> MedAssets <input type="checkbox"/> Novation <input type="checkbox"/> Premier <input type="checkbox"/> ROI <input type="checkbox"/> USO <input type="checkbox"/> VA Gov <input type="checkbox"/> None </p>	<p>Varian Medical Systems</p> <p>Submitted by:</p> <p>_____</p> <p>(Signature)</p> <p>Name: Mark Zawodny</p> <p>Title: District Manager</p> <p>Date: March 1, 2012</p>
--	---

This document is confidential and intended solely for the information and benefit of the immediate recipient and Varian

Item	Qty	Product Description	Offer Price
Section 1 TrueBeam STx - Stereotactic System			

1.01	1	TrueBeam STx Package	4,097,378.00
1.02	1	TrueBeam STx System TrueBeam STx System	Included

Premium performance image-guided radiosurgery system

FEATURES:

- Performance per RAD 10094
- High speed, real time network control
- Synchronous, high precision motion, imaging, and dose trajectory management
- Patented variable beam energy generation
- Dual independent jaw collimator system, supporting dynamic jaw tracking and dynamic collimator rotation
- Enhanced dynamic wedge
- Electronic Accessory Detection and Verification system
- Treatment couch base with sub-millimetric positioning accuracy to isocenter
- LaserGuard II system, a laser protection zone-based proximity sensor that is used to alert the user of system proximity to the patient, associated immobilization devices, and to other parts of the system and limit motion if necessary
- Full remote motion control with software-selectable motion axis disable
- Autofield sequencing and full treatment delivery automation
- Radiation-hardened digital CCTV camera system for patient and motion monitoring
- 3D motion monitoring and touch detector systems
- Integrated controls with visual action prompts
- Two 27 inch monitors for treatment room viewing of system and patient information
- Soft light illumination and decorative curtain wall design elements
- Two 21 inch high performance monitors
- Integrated audio system, including intercom, respiration coaching, input for music
- Low profile console packaging with optional small footprint stacking
- Software-selectable IEC 601 and IEC 1217 scale convention
- Basic quality assurance and performance test kit, including front pointer set and collimator crosshair
- Standard spare parts
- Smart connect remote access ready
- One (1) year full warranty
- Shipping (Shipment is pending regulatory clearance of this product in the ship-to country. Lead times after receipt of order may vary greatly by country.)

NOTE: The TrueBeam STx only supports IEC 601 or IEC 1217 scales. Conical collimator accessories (sometimes called "cones") must not be used for treating patients on this device without also using the Barcode Conical Collimator Verification (BCCV) product. Failure to use BCCV with conical collimators may result in serious injury or death due to a lack of verification that the correct conical collimator and field size for that collimator are in place for that patient's treatment plan.

PHILIPS HEALTHCARE
A division of Philips Electronics North America Corporation
22100 Bothell Everett Highway
P.O. Box 3003
Bothell, Washington 98041-3003

PHILIPS

Quotation #: 1-VX3MTN	Rev: 1	Effective From: 04-May-12	To: 18-Jun-12
Presented To: BAPTIST MEMORIAL HOSPITAL MEMPHIS 6019 WALNUT GROVE RD MEMPHIS, TN 38120 Tel: Alternate Address:		Presented By: Norma Meissner <i>Account Manager</i> Jeff Darby <i>Regional Manager</i> Tel: (901) 496-4391 Fax: Tel: (972) 705-2412 Fax: (972) 705-2447	
Date Printed: 04-May-12			
Submit Orders To: 22100 BOTHELL EVERETT HWY BOTHELL WA 98021 Tel: Fax: (425) 458-0390			

The Service information contained in this Quote is subject to a separate service proposal.

This quotation contains confidential and proprietary information of Philips Healthcare, a division of Philips Electronics North America Corporation ("Philips") and is intended for use only by the customer whose name appears on this quotation. It may not be disclosed to third parties without the prior written consent of Philips.

IMPORTANT NOTICE: Health care providers are reminded that if the transactions herein include or involve a loan or discount (including a rebate or other price reduction), they must fully and accurately report such loan or discount on cost reports or other applicable reports or claims for payment submitted under any federal or state health care program, including but not limited to Medicare and Medicaid, such as may be required by state or federal law, including but not limited to 42 CFR 1001.952(h).

Quote Solution Summary

<u>Line #</u>	<u>Product</u>	<u>Qty</u>	<u>Price</u>
	101417 TruFlight Select PET-CT	1	\$1,526,291.20
Equipment Total:			\$1,526,291.20

Solution Summary Detail

<u>Product</u>	<u>Qty</u>	<u>Each</u>	<u>Monthly</u>	<u>Price</u>
101417 TruFlight Select PET-CT	1	\$1,526,291.20		\$1,526,291.20

SVC0130 Protection POS \$13,018.33

The Service information contained in this Quote is subject to a separate service proposal.

Buying Group: NOVATION

Contract #: XR11032 Pet

Add'l Terms:

Each Quotation solution will reference a specific Buying Group/Contract Number representing an agreement containing discounts, fees and any specific terms and conditions which will apply to that single quoted solution. If no Buying Group/Contract Number is shown, Philips' Terms and Conditions of Sale will apply to the quoted solution.

Each equipment system listed on purchase order/orders represents a separate and distinct financial transaction. We understand and agree that each transaction is to be individually billed and paid.

Payment 0% Down, 80% Shipment, 20% Due When the Product is Available for First Patient Use, Net due 10 days from receipt of invoice

Quote Summary

Qty	Product
1	NNAJ783 TF Select PET-CT
1	NPTB901 TruFlight Local Kit - ENG
1	NPTA945 Automatic Registration Tool
1	NPTB030 Enhanced DICOM Vwr Study Distr
1	NPTB617 ECG Monitor - English
1	FPT0580 Patient Comfort Kit
1	NPTB600 53cm Flat Pallet
1	NPTB040 Kit, Label English RTP
1	989605600371 UPS, 80kVA 60Hz Sm Battery Cabinet
1	989605600221 Floor Pour Kit
1	989605600271 TF Install Pre-Wiring Kit
1	989605600211 GEMINI TF 100 uCi Solid Source
6	989605600151 Point Source Disk, 10UCI, NA-22
1	NCTA015 DICOM Modality Worklist
1	NNMB036 GEMINI System
1	NRTE294 EBW NM Premium
1	NRTE295 PET Review
1	NRTE015 Dual Monitor Configuration EBW
1	NRTE040 EBW NM Local Kit-English

Options

Qty	Product
1	NPTB396 4D Time Of Flight Toolkit
1	989601210007 Medrad Stellant ISI Interface Unit
1	989601210064 MedRad Stellant D CT Injector-OH System

Chief Financial Officer Letter

Economic Feasibility 2(E)

BAPTIST MEMORIAL HEALTH CARE CORPORATION

November 14, 2012

Ms Melanie Hill, Executive Director
Health Services and Development Agency
Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, Tennessee 37243

RE: Baptist Memorial Hospital-Tipton
Baptist Center for Cancer Care

Dear Ms Hill:

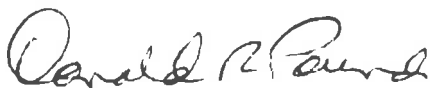
As the Chief Financial Officer of Baptist Memorial Health Care Corporation (BMHCC), I have reviewed the financial statements and requirements in the certificate of need application for the Baptist Center for Cancer Care that has an anticipated cost, for CON purposes, of approximately \$84,900,000. Funds to complete the project as described are available through BMHCC affiliated entities.

The proposed center will be owned and operated by Baptist Memorial Hospital – Tipton that is affiliated with Baptist Memorial Hospital – Memphis which is the current owner and operator of linear accelerators and other related equipment included in the capital cost valuation of the project. From affiliated non-profit entities, resources, including existing equipment and funding will be transferred to Baptist Memorial Hospital – Tipton to complete this project.

Financial statements have been provided for Baptist Memorial Hospital –Tipton that accurately reflect the operations as audited by Deloitte & Touche as part of the combined financial statements of Baptist Memorial Health Care Corporation. Also provided are financial statements demonstrating that Baptist Memorial Hospital – Memphis has the available resources to fund the cancer center project.

Please contact me if you need additional information.

Sincerely,



Donald R. Pounds
Chief Financial Officer

Balance Sheet and Income Statements

Economic Feasibility, 10

BMH-TIPTON
BALANCE SHEET
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009	2008
CURRENT ASSETS:				
Cash and cash equivalents	13,487,760	28,508,385	25,520,121	24,476,274
Patient accounts receivable, net	3,348,466	2,261,519	2,837,186	3,163,079
Other Receivables	476,752	1,203,470	1,254,459	1,203,729
Third party settlements	17,600	11,700	64,990	60,480
Supplies, Inventory and Prepaid	1,324,619	443,233	490,777	529,872
Total current assets	18,655,197	32,428,307	30,167,533	29,433,435
INVESTMENTS				
PROPERTY AND EQUIPMENT, net	31,039	41,666	499,608	281,761
OTHER ASSETS	6,921,161	7,000,156	7,617,139	6,999,598
	0	0	0	0
TOTAL ASSETS	25,607,397	39,470,129	38,284,279	36,714,795
CURRENT LIABILITIES:				
Current portion-long-term debt & CLO	0	0	0	0
Accounts payable	163,915	166,018	161,728	169,303
Due to affiliates	791,842	0	0	0
Third party settlements	350,872	305,638	197,802	71,271
Accrued expenses and other current	1,702,335	886,797	920,468	1,002,965
Total current liabilities	3,008,964	1,358,454	1,279,998	1,243,538
LONG-TERM DEBT and CLO	0	0	0	0
OTHER LONG-TERM LIABILITIES	0	0	0	0
FUND BALANCE (DEFICIT)	22,598,433	38,111,675	37,004,281	35,471,256
TOTAL LIABILITIES & FUND BALANCE	25,607,397	39,470,129	38,284,279	36,714,795

BMH-TIPTON
STATEMENT OF REVENUES AND EXPENSES
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009	2008
UNRESTRICTED REVENUES AND OTHER SUPPORT:				
Net patient service revenue	27,548,715	26,691,795	28,451,277	30,506,036
Other revenue	493,137	463,907	502,756	507,428
Total unrestricted revenues and other support	28,041,852	27,155,702	28,954,033	31,013,464
EXPENSES:				
Salaries and benefits	12,754,920	12,297,694	12,586,840	13,530,057
Supplies	3,236,889	2,563,752	2,896,809	3,028,918
Purchased Services and other	3,501,673	3,785,003	3,948,613	5,127,713
Management fees	2,956,500	2,705,316	2,659,764	2,591,592
Professional fees	179,378	262,055	240,794	222,648
Depreciation and amortization	1,087,257	1,149,973	1,098,512	1,158,604
Interest	0	0	0	0
Provision for bad debts	4,999,014	4,604,932	4,713,416	5,288,107
Total Expenses	28,715,631	27,368,724	28,144,748	30,947,640
NONOPERATING INCOME(EXPENSE):				
	1,752,126	1,088,783	334,211	598,077
REVENUES IN EXCESS OF EXPENSES				
	1,078,346	875,761	1,143,497	663,901

BMH-MEMPHIS
BALANCE SHEET
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009	2008
CURRENT ASSETS:				
Cash and cash equivalents	186,084,744	217,083,811	171,275,016	112,905,507
Patient accounts receivable, net	66,983,817	64,083,110	58,279,655	61,611,658
Other Receivables	15,210,227	15,191,387	14,305,077	12,664,414
Third party settlements	3,970,657	5,591,661	9,821,014	2,609,069
Supplies, Inventory and Prepaid	16,342,975	15,702,762	16,559,835	14,850,885
Total current assets	<u>288,592,420</u>	<u>317,652,731</u>	<u>270,240,596</u>	<u>204,641,533</u>
INVESTMENTS	732,471	597,424	3,421,677	2,316,915
PROPERTY AND EQUIPMENT, net	<u>197,690,647</u>	<u>199,796,666</u>	<u>209,555,994</u>	<u>211,242,758</u>
OTHER ASSETS	<u>115,813,276</u>	<u>129,261,495</u>	<u>138,340,478</u>	<u>150,128,204</u>
TOTAL ASSETS	<u><u>602,828,814</u></u>	<u><u>647,308,316</u></u>	<u><u>621,558,745</u></u>	<u><u>568,329,410</u></u>
CURRENT LIABILITIES:				
Current portion-long-term debt & CLO	15,235,000	14,630,000	13,640,000	12,775,000
Accounts payable	7,614,319	18,973,275	7,252,048	8,822,098
Due to affiliates	(1,713,670)	1,987,007	8,180,134	(9,835,959)
Third party settlements	4,591,585	2,391,096	2,391,096	6,002,218
Accrued expenses and other current	26,595,006	22,006,973	21,139,175	21,399,262
Total current liabilities	<u>52,322,240</u>	<u>59,988,351</u>	<u>52,602,453</u>	<u>39,162,618</u>
LONG-TERM DEBT and CLO	131,872,732	147,322,892	159,780,000	173,420,000
POST RETIREMENT BENEFIT OBLIGATION	30,324,823	29,918,325	31,959,438	27,630,967
OTHER LONG-TERM LIABILITIES	2,138,048	2,170,941	2,203,834	2,236,727
FUND BALANCE (DEFICIT)	<u>386,170,972</u>	<u>407,907,808</u>	<u>375,013,020</u>	<u>325,879,098</u>
TOTAL LIABILITIES & FUND BALANCE	<u><u>602,828,814</u></u>	<u><u>647,308,316</u></u>	<u><u>621,558,745</u></u>	<u><u>568,329,410</u></u>

BMH-MEMPHIS
STATEMENT OF REVENUES AND EXPENSES
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009	2008
UNRESTRICTED REVENUES AND OTHER SUPPORT:				
Net patient service revenue	498,881,984	497,462,698	504,893,566	478,580,293
Other revenue	15,453,287	16,137,294	14,045,914	14,462,669
Total unrestricted revenues and other support	514,335,271	513,599,992	518,939,481	493,042,962
EXPENSES:				
Salaries and benefits	196,939,281	188,488,524	188,995,399	189,740,832
Supplies	130,154,044	127,655,043	130,515,438	124,247,206
Purchased Services and other	28,290,078	28,294,088	29,807,439	34,194,663
Management fees	48,849,348	44,558,976	42,187,353	43,849,019
Professional fees	22,407,905	20,595,504	19,217,441	18,813,225
Depreciation and amortization	23,906,837	22,969,303	23,103,058	23,471,138
Interest	952,715	908,476	128,800	1,119,466
Provision for bad debts	48,833,577	41,616,620	40,386,119	36,760,672
Total Expenses	500,333,785	475,086,533	474,341,046	472,196,221
NONOPERATING INCOME(EXPENSE):				
	9,785,270	4,770,296	(186,094)	(233,444)
REVENUES IN EXCESS OF EXPENSES	23,786,756	43,283,754	44,412,340	20,613,297



Deloitte & Touche LLP
100 Peabody Place
Suite 800
Memphis, TN 38103-0830
USA

Tel: +1 901 322 6700
Fax: +1 901 322 6799
www.deloitte.com

December 20, 2011

The Boards of Directors
Baptist Memorial Health Care Corporation and Affiliates
350 North Humphreys Boulevard
Memphis, Tennessee 38120

As set forth in our independent auditors' reports dated December 20, 2011, we have audited the combined financial statements of Baptist Memorial Health Care Corporation and the separate financial statements of certain affiliates (see Exhibit I) as of and for the year ended September 30, 2011. The objective of our audits was to express an opinion on those financial statements and, accordingly, we performed no procedures directed toward performing a separate financial statement audit of other affiliates of Baptist Memorial Health Care Corporation.

In connection with our audits, we advise you that:

1. We are independent under the requirements of the American Institute of Certified Public Accountants with respect to Baptist Memorial Health Care Corporation and its affiliates.
2. We expressed unqualified auditors' opinions on the financial statements of the entities referred to above.

We have not audited any financial statements of Baptist Memorial Health Care Corporation and its affiliates subsequent to September 30, 2011, or performed any audit procedures subsequent to the dates of our reports.

Deloitte & Touche LLP

EXHIBIT I

Certain affiliates of Baptist Memorial Health Care Corporation whose separate financial statements as of and for the year ended September 30, 2011 were audited by Deloitte & Touche LLP:

- Baptist Memorial College of Health Sciences
- Baptist Memorial Health Care Foundation
- Baptist Memorial Hospital — Union County

License

Orderly Development 7 (c)

Board for Licensing Health Care Facilities

State of Tennessee



No. of Beds 0000000117
0100

DEPARTMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to

BAPTIST MEMORIAL HOSPITAL-TIPTON

to conduct and maintain a

Hospital

BAPTIST MEMORIAL HOSPITAL - TIPTON

Located at

1985 HIGHWAY 51 SOUTH, COVINGTON

County of

TIPTON

, Tennessee.

This license shall expire

JUNE 30

, 2012, and is subject

to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferrable, and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the laws of the State of Tennessee or the rules and regulations of the State Department of Health issued hereunder.

We, Thomas Wherry, do hereunto set our hand and seal of the State this 1ST day of JULY, 2011.
*We the District Secretary(ies) of: GENERAL HOSPITAL
PEDIATRIC BASIC HOSPITAL*

By W. J. S. J. M. H.
DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By Howard Cooper HSO, MD
COMMISSIONER

Board for Licensing Health Care Facilities

State of Tennessee



No. of Beds 0000000117
0100

DEPARTMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to
BAPTIST MEMORIAL HOSPITAL-TIPTON *to conduct and maintain a*

Hospital

BAPTIST MEMORIAL HOSPITAL - TIPTON

Located at

1995 HIGHWAY 51 SOUTH, COVINGTON

County of

TIPTON

, Tennessee.

This license shall expire FEBRUARY 04, 2013, *and is subject*

to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferable, and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the laws of the State of Tennessee or the rules and regulations of the State Department of Health issued thereunder.

In Witness Whereof, we have hereunto set our hand and seal of the State this 1ST *day of* JULY, 2012.
In the Official Registry (ies) of: GENERAL HOSPITAL
PEDIATRIC BASIC HOSPITAL



By *James J. Davis, MPH*
DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By *John A. Davis*
COMMISSIONER



Accreditation Quality Report

- > Summary of Accreditation Quality Information
- > Accredited Programs
- > Accreditation National Patient Safety Goals
- > Sites and Services
- > Accreditation History
- > Download Accreditation PDF Report
- > Download Accreditation PDF Report - Include Quarterly Data
- > Accreditation Quality Report User Guide
- > Organization's Commentary

Symbol Key

- This organization achieved the best possible results
- This organization's performance is above the target range/value.
- This organization's performance is similar to the target range/value.
- This organization's performance is below the target range/value.
- This measure is not applicable for this organization.
- Not displayed

Footnote Key

1. The measure or measure set was not reported.
2. The measure set does not have an overall result.
3. The number of patients is not enough for comparison purposes.
4. The measure meets the Privacy Disclosure

Quality Report

Summary of Accreditation Quality Information

Accreditation Programs	Accreditation Decision	Effective Date	Last Full Survey Date	Last On-Site Survey Date
Hospital	Accredited	8/15/2009	8/2/2012	8/2/2012
Pathology and Clinical Laboratory	Accredited	7/25/2012	7/24/2012	7/24/2012

Accreditation programs recognized by the Centers for Medicare and Medicaid Services (CMS)

Pathology and Clinical Laboratory
Hospital

- Top -

National Patient Safety Goals and National Quality Improvement Goals

Compared to other Joint Commission Accredited Organizations

		Nationwide	Statewide
Hospital			
2009 National Patient Safety Goals	See Detail		*
National Quality Improvement Goals:			
Heart Failure Care	See Detail	3	3
Perinatal Care	See Detail	10	10
Pneumonia Care	See Detail		
Surgical Care Improvement Project (SCIP)			
SCIP - Cardiac	See Detail		
SCIP - Infection Prevention For All Reported Procedures:	See Detail		
• Colon/Large Intestine Surgery	See Detail	3	3
• Hysterectomy	See Detail		
SCIP - Venous Thromboembolism (VTE)	See Detail		

- Threshold rule.
5. The organization scored above 90% but was below most other organizations.
 6. The measure results are not statistically valid.
 7. The measure results are based on a sample of patients.
 8. The number of months with measure data is below the reporting requirement.
 9. The measure results are temporarily suppressed pending resubmission of updated data.
 10. Test Measure: a measure being evaluated for reliability of the individual data elements or awaiting National Quality Forum Endorsement.

Pathology and Clinical Laboratory

Survey of Patients' Hospital Experiences (see details)

2012 National Patient Safety Goals

See Detail



*

Hospitals voluntarily participate in the Survey of Patients' Hospital Experiences (HCAHPS). Pediatric and psychiatric hospitals are not eligible to participate in the HCAHPS survey based on their patient population.



The Joint Commission only reports measures endorsed by the National Quality Forum.

* State results are not calculated for the National Patient Safety Goals.

- Top -

Sites and Services

* Primary Location

An organization may provide services not listed here. For more information refer to the Quality Report User Guide .

Locations of Care

Baptist Memorial Hospital -
Tipton *
1995 Highway 51 South
Covington, TN 38019

Available Services

- CT Scanner (Imaging/Diagnostic Services)
- EEG/EKG/EMG Lab (Imaging/Diagnostic Services)
- Gastroenterology (Surgical Services)
- General Laboratory Tests
- GI or Endoscopy Lab (Imaging/Diagnostic Services)
- Gynecological Surgery (Surgical Services)
- Gynecology (Inpatient)
- Labor & Delivery (Inpatient)
- Magnetic Resonance Imaging (Imaging/Diagnostic Services)
- Medical /Surgical Unit (Inpatient)
- Medical ICU (Intensive Care Unit)
- Normal Newborn Nursery (Inpatient)
- Nuclear Medicine (Imaging/Diagnostic Services)
- Orthopedic Surgery (Surgical Services)
- Post Anesthesia Care Unit (PACU) (Inpatient)
- Sleep Laboratory (Sleep Laboratory)
- Surgical ICU (Intensive Care Unit)
- Surgical Unit (Inpatient)
- Toxicology
- Ultrasound (Imaging/Diagnostic Services)

Baptist Tipton Rehabilitation
100 Peeler Road
Covington, TN 38019

- Outpatient Clinics (Outpatient)

BMH Tipton at FCC Walnut Grove
6029 Walnut Grove Rd; Suite 301
Memphis, TN 38120

- Administration of High Risk Medications (Outpatient)
- Outpatient Clinics (Outpatient)

BMH Tipton at Integrity Briarcrest
9286 Briarcrest Avenue
Memphis, TN 38120

- Administration of High Risk Medications (Outpatient)
- Outpatient Clinics (Outpatient)

BMH Tipton at Integrity Collierville
1936 West Poplar
Collierville, TN 38017

- Administration of High Risk Medications (Outpatient)
- Outpatient Clinics (Outpatient)

BMH Tipton at Kate Bond FCC and UTCI
2996 Kate Bond Rd S/100 & 207
Bartlett, TN 38133

- Administration of High Risk Medications (Outpatient)
- Outpatient Clinics (Outpatient)

BMH Tipton at UTCI Wolf River
7945 Wolf River Blvd,
Germantown, TN 38138

- Administration of High Risk Medications (Outpatient)
- Outpatient Clinics (Outpatient)

- Top -

The Joint Commission obtains information about accredited/certified organizations not only through direct observations by its

State Survey/Inspection

Orderly Development 7 (d)

Joint Commission

BMH – Tipton



February 2, 2010

Skipper Bondurant
CEO/Administrator
Baptist Memorial Hospital - Tipton
1995 Highway 51 South
Covington, TN 38019

Joint Commission ID #: 7823
Program: Hospital Accreditation
Accreditation Activity: Measure of Success
Accreditation Activity Completed: 02/02 2010

Dear Mr. Bondurant:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high-quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

The Joint Commission is granting your organization an accreditation decision of Accredited for all services surveyed under the applicable manual(s) noted below:

- Comprehensive Accreditation Manual for Hospitals

This accreditation cycle is effective beginning August 15, 2009. The Joint Commission reserves the right to shorten or lengthen the duration of the cycle; however, the certificate and cycle are customarily valid for up to 39 months.

Please visit Quality Check® on The Joint Commission web site for updated information related to your accreditation decision.

We encourage you to share this accreditation decision with your organization's appropriate staff, leadership, and governing body. You may also want to inform the Centers for Medicare and Medicaid Services (CMS), state or regional regulatory services, and the public you serve of your organization's accreditation decision.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Sincerely,

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations



October 9, 2009

Skipper Bondurant
CEO/Administrator
Baptist Memorial Hospital - Tipton
1995 Highway 51 South
Covington, TN 38019

Joint Commission ID #: 7823
Program: Hospital Accreditation
Accreditation Activity: 60-day Evidence of
Standards Compliance
Accreditation Activity Completed: 10/09/2009

Dear Mr. Bondurant:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high-quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

The Joint Commission is granting your organization an accreditation decision of Accredited for all services surveyed under the applicable manual(s) noted below:

- Comprehensive Accreditation Manual for Hospitals

This accreditation cycle is effective beginning August 15, 2009. The Joint Commission reserves the right to shorten or lengthen the duration of the cycle; however, the certificate and cycle are customarily valid for up to 39 months.

Please visit Quality Check® on The Joint Commission web site for updated information related to your accreditation decision.

We encourage you to share this accreditation decision with your organization's appropriate staff, leadership, and governing body. You may also want to inform the Centers for Medicare and Medicaid Services (CMS), state or regional regulatory services, and the public you serve of your organization's accreditation decision.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Sincerely,

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations



August 18, 2009

Skipper Bondurant
CEO/Administrator
Baptist Memorial Hospital - Tipton
1995 Highway 51 South
Covington, TN 38019

Joint Commission ID #: 7823
Program: Hospital Accreditation
Accreditation Activity: Unannounced Full
Event
Accreditation Activity Completed:
08/14/2009

Dear Mr. Bondurant:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high - quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

With that goal in mind, your organization received Requirement(s) for Improvement during its recent survey. These requirements have been summarized in the Accreditation Report provided by the survey team that visited your organization.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Please visit [Quality Check®](#) on The Joint Commission web site for updated information related to your accreditation decision.

Sincerely,

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations



Baptist Memorial Hospital - Tipton
1995 Highway 51 South
Covington, TN 38019

Organization Identification Number: 7823

Program(s)

Hospital Accreditation

Surveyor(s) and Survey Date(s)

Daniel H. Booth, MD - (08/11 - 08/14/2009)

Philip H. Larson, CHFM - (08/12 - 08/12/2009)

Executive Summary

Hospital Accreditation : As a result of the accreditation activity conducted on the above date(s), Requirements for Improvement have been identified in your report.

You will have follow-up in the area(s) indicated below:

- Evidence of Standards Compliance (ESC)

If you have any questions, please do not hesitate to contact your Account Representative.

Thank you for collaborating with The Joint Commission to improve the safety and quality of care provided to patients.

The Joint Commission Summary of Findings

Evidence of DIRECT Impact Standards Compliance is due within 45 days from the day this report is posted to your organization's extranet site:

Program:	Hospital Accreditation Program	
Standards:	IC.02.02.01	EP2
	MM.05.01.09	EP4

Evidence of INDIRECT Impact Standards Compliance is due within 60 days from the day this report is posted to your organization's extranet site:

Program:	Hospital Accreditation Program	
Standards:	EC.02.05.07	EP2
	EC.02.05.09	EP3
	LS.02.01.10	EP4,EP9

The Joint Commission Summary of CMS Findings

CoP: §482.41 **Tag:** A-0700 **Deficiency:** Standard

Corresponds to: HAP

Text: §482.41 Condition of Participation: Physical Environment

The hospital must be constructed, arranged, and maintained to ensure the safety of the patient, and to provide facilities for diagnosis and treatment and for special hospital services appropriate to the needs of the community.

CoP Standard	Tag	Corresponds to	Deficiency
§482.41(b)(4)	A-0711	HAP - EC.02.05.07/EP2	Standard
§482.41(b)(1)(i)	A-0710	HAP - LS.02.01.10/EP9	Standard

The Joint Commission Findings

Chapter: Environment of Care
Program: Hospital Accreditation
Standard: EC.02.05.07

ESC 60 days

Standard Text: The hospital inspects, tests, and maintains emergency power systems.
 Note: This standard does not require hospitals to have the types of emergency power equipment discussed below. However, if these types of equipment exist within the building, then the following maintenance, testing, and inspection requirements apply.

Primary Priority Focus Area: Patient Safety

Element(s) of Performance:

2. Every 12 months, the hospital either performs a functional test of battery-powered lights required for egress for a duration of 1 1/2 hours; or the hospital replaces all batteries every 12 months and, during replacement, performs a random test of 10% of all batteries for 1 1/2 hours. The completion date of the tests is documented.



Scoring Category : C

Score : Insufficient Compliance

Observation(s):

EP 2

§482.41(b)(4) - (A-0711) - (4) Beginning March 13, 2006, a hospital must be in compliance with Chapter 19.2.9, Emergency Lighting.

This Standard is NOT MET as evidenced by:

Observed in Document Review at Baptist Memorial Hospital - Tipton site.

No documentation was available to show that emergency power light number one was tested annually as required.

Hospital indicated that they changed batteries annually and tested in excess of 10% of lights but that documentation was at Corporate due to installation of new work order system.

Observed in Document Review at Baptist Memorial Hospital - Tipton site.

No documentation was available to show that emergency power light number two was tested annually as required.

Hospital indicated that they changed batteries annually and tested in excess of 10% of lights but that documentation was at Corporate due to installation of new work order system.

Observed in Document Review at Baptist Memorial Hospital - Tipton site.

No documentation was available to show that emergency power light's number three through twenty three were tested annually as required. Hospital indicated that they changed batteries annually and tested in excess of 10% of lights but that documentation was at Corporate due to installation of new work order system.

Chapter: Environment of Care
Program: Hospital Accreditation
Standard: EC.02.05.09

ESC 60 days

Standard Text: The hospital inspects, tests, and maintains medical gas and vacuum systems.
 Note: This standard does not require hospitals to have the medical gas and vacuum systems discussed below. However, if a hospital has these types of systems, then the following inspection, testing, and maintenance requirements apply.

Primary Priority Focus Area: Patient Safety

The Joint Commission Findings

Element(s) of Performance:

3. The hospital makes main supply valves and area shutoff valves for piped medical gas and vacuum systems accessible and clearly identifies what the valves control.



Scoring Category : A

Score : Insufficient Compliance

Observation(s):

EP 3

Observed in Building Tour Second Floor at Baptist Memorial Hospital -Tipton site.

On the second floor nurses station medical gas valves had shredder boxes with printers on top of them in front of medical gas zone valves. This arrangement was blocking the accessibility to the zone valves.

Chapter:

Infection Prevention and Control

Program:

Hospital Accreditation

Standard:

IC.02.02.01

ESC 45 days

Standard Text:

The hospital reduces the risk of infections associated with medical equipment, devices, and supplies

Primary Priority Focus Area: Infection Control

Element(s) of Performance:

2. The hospital implements infection prevention and control activities when doing the following: Sterilizing medical equipment, devices, and supplies. (See also EC.02.04.03, EP 4)



Scoring Category : A

Score : Insufficient Compliance

Observation(s):

EP 2

Observed in the operating room at Baptist Memorial Hospital -Tipton site.

A Condition of Participation does not apply to this observation.

The log of an autoclave in a substerile room of the O.R. suite showed that it was being routinely used to sterilize instrument sets for cataract surgery. The hospital is currently in the process of purchasing additional instrument sets to allow such sets to be sent to central sterile processing for full cycle sterilization.

Observed in the operating room at Baptist Memorial Hospital -Tipton site.

A Condition of Participation does not apply to this observation.

A review of the log from a second autoclave in the operating room suite showed that it was being used routinely to sterilize instrument sets for several different orthopedic procedures and for general surgery procedures. The hospital has started purchasing additional instrument sets so that they can be sent to central sterile processing for the normal complete sterilization cycle.

Chapter:

Life Safety

Program:

Hospital Accreditation

Standard:

LS.02.01.10

ESC 60 days

Standard Text:

Building and fire protection features are designed and maintained to minimize the effects of fire, smoke, and heat.

Organization Identification Number: 7823

Page 5 of 8

The Joint Commission Findings

Primary Priority Focus Area: Patient Safety

Element(s) of Performance:

4. Openings in 2-hour fire-rated walls are fire-rated for 1 1/2 hours. (See also LS.02.01.20, EP 3; LS.02.01.34, EP 2) (For full text and any exceptions, refer to NFPA 101-2000: 8.2.3.2.3.1)



Scoring Category : A

Score : Insufficient Compliance

9. The space around pipes, conduits, bus ducts, cables, wires, air ducts, or pneumatic tubes that penetrate fire-rated walls and floors are protected with an approved fire-rated material.



Note: Polyurethane expanding foam is not an accepted fire-rated material for this purpose. (For full text and any exceptions, refer to NFPA 101-2000: 8.2.3.2.4.2)

Scoring Category : C

Score : Insufficient Compliance

Observation(s):

The Joint Commission Findings

EP 4

§482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html. Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes.

This Standard is NOT MET as evidenced by:

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Door and Frame on the second floor near room 224 had rating which was not able to be determined. This location had a dot on one door but not on both and no documentation was available to indicate what the dot indicated for rating. None of the frames on the second floor fire walls contained labels as to there rating.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Fire Door Frame on the second floor near room 68 had rating which was not readable.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Door and Frame on the second floor near room 110 had rating which was not able to be determined. This location had a dot on one door but not on both and no documentation was available to indicate what the dot indicated for rating. None of the frames at the second floor fire door locations contained labels as to there fire rating.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Door and Frame on the second floor near room 248 had rating which was not able to be determined. This location had a dot on one door but not on both and no documentation was available to indicate what the dot indicated for rating. None of the frames at the second floor fire door locations contained labels as to there fire rating.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

1st and 2nd floor has doors and frames that have had there rating labels removed and or made un-identifiable.

Observed in Building Tour Second Floor at Baptist Memorial Hospital -Tipton site.

Stairwell Door Frame located on the second floor near room 201 had label which was painted making it difficult to read.

Observed in Building Tour Second Floor at Baptist Memorial Hospital -Tipton site.

On the second floor 2 west south stair well exit door was not labeled.

Observed in Building Tour Second Floor at Baptist Memorial Hospital - Tipton site.

First Floor North Administration wing exit stair well door was not labeled.

EP 9

§482.41(b)(1)(i) - (A-0710) - (i) The hospital must meet the applicable provisions of the 2000 edition of the Life Safety Code of the National Fire Protection Association. The Director of the Office of the Federal Register has approved the NFPA 101®2000 edition of the Life Safety Code, issued January 14, 2000, for incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. A copy of the Code is available for inspection at the CMS Information Resource Center, 7500 Security Boulevard, Baltimore, MD or at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html.

Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. If any changes in this edition of the Code are incorporated by reference, CMS will publish notice in the Federal Register to announce the changes.

This Standard is NOT MET as evidenced by:

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Organization Identification Number: 7823

Page 7 of 8

The Joint Commission Findings

2" penetration was located above doors in one hour wall near room 224 on the second floor. This was corrected at time of survey.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Exit stair tower near room 247 had 1" penetration above door to stair tower. This was corrected at time of survey.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

2" penetration was located above doors in one hour wall near room 210 on the second floor. This was corrected at time of survey.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Open penetration was located above doors in one hour wall near room 68 on the second floor. This was corrected at time of survey.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

2" penetration was located above doors in one hour wall near materials management on the first floor. This was corrected at time of survey.

Observed in Building Tour at Baptist Memorial Hospital -Tipton site.

Open penetration was located above doors in one hour at entrance to materials management store room. This was corrected at time of survey.

Chapter: Medication Management

Program: Hospital Accreditation

Standard: MM.05.01.09

ESC 45 days

Standard Text: Medications are labeled.

Primary Priority Focus Area: Medication Management

Element(s) of Performance:

4. All medications prepared in the hospital are correctly labeled with the following:
Expiration date when not used within 24 hours.



Scoring Category: A

Score: Insufficient Compliance

Observation(s):

EP 4

Observed in the 2 East nursing unit at Baptist Memorial Hospital -Tipton site.
An antibiotic IV admixture was found in the refrigerator in the medication room. It had been prepared several days before the survey. There was no expiration date on this medication.

Observed in the 2 East nursing unit at Baptist Memorial Hospital -Tipton site.
A second IV medication that had been prepared several days before the survey was found in the unit's medication refrigerator with no expiration date.



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

February 17, 2009

Mr. Barry Bondurant, Administrator
BMH - Tipton
1995 Hwy 51 S
Covington, TN 38019

RE: Licensure Survey

Dear Mr. Bondurant:

We are pleased to advise you that no deficiencies were cited as a result of the licensure survey completed at your facility on **February 2, 2009**. The attached form is for your files.

If this office may be of any assistance to you, please do not hesitate to call (731) 421-5113.

Sincerely,

A handwritten signature in cursive script that reads "Celia Skelley" followed by a stylized monogram or initials.

Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CES/TJW

Enclosure

Division of Health Care Facilities

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		X(1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: TNP531117		X(2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		X(3) DATE SURVEY COMPLETED 02/02/2009	
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL TIPTON				STREET ADDRESS CITY STATE ZIP CODE 1905 HIGHWAY 51 S COVINGTON, TN 38019			
(X4) ID PREFIX TAG		SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)		ID PREFIX TAG		PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	
H 002		1200-8-1 No Deficiencies This facility complies with all requirements for participation reviewed for Acute Hospitals during the annual licensure survey on 2/2/09. No deficiencies were cited.		H 002			

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

STATE FORM

1MR611

If continuation sheet 1 of 1



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

February 17, 2009

Mr. Barry Bondurant, Administrator
BMH - Tipton
1995 Hwy 51 S
Covington, TN 38019

RE: PECU Licensure Survey

Dear Mr. Bondurant:

We are pleased to advise you that no deficiencies were cited as a result of the licensure survey conducted at your facility on **February 2, 2009**. The attached form is for your files.

If this office may be of any assistance to you, please do not hesitate to call (731) 421-5113.

Sincerely,

A handwritten signature in cursive script that reads "Celia Skelley".

Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CES/TJW

Enclosure

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER TNP531117	X2) MULTIPLE CONSTRUCTION A. BUILDING _____ B. WING _____		X3) DATE SURVEY COMPLETED 02/02/2009
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL TIPTON		STREET ADDRESS CITY STATE ZIP CODE 1995 HIGHWAY 51 S COVINGTON, TN 38019			
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)		ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
P 002	1200-8-30 No Deficiencies This facility complies with all requirements for participation reviewed for BASIC Pediatric Emergency Care Facilities during the annual licensure survey on 2/2/09.		P 002		

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

TITLE

(X6) DATE

STATE FORM

0000

2LR611

If continuation sheet 1 of 1



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

February 9, 2009

Mr. Barry Bondurant, Administrator
BMH Tipton
1995 Hwy 51 S
Covington, TN 38019

RE: Fire Safety Licensure Survey

Dear Mr. Bondurant:

Enclosed is the statement of deficiencies for the fire safety licensure survey completed at your facility on February 3, 2009. Based upon 1200-8-1-.08, you are asked to submit an acceptable plan of correction for achieving compliance with completion dates, and signature 10 days from the date of this letter.

Please address each deficiency separately with positive and specific statements advising this office of a plan of correction that includes acceptable time schedule, which will lead to the correction of the cited deficiencies. Enter on the right side of the State Form, opposite the deficiencies, your planned action to correct the deficiencies and the expected completion date. The completion date can be no longer than 45 days from the day of survey. Before the plan can be considered "acceptable," it must be signed and dated by the administrator

Your plan of correction must contain the following:

- > How the deficiency will be corrected;
- > How the facility will prevent the same deficiency from recurring.
- > The date the deficiency will be corrected;
- > How ongoing compliance will be monitored.

Please be advised that under the disclosure of survey information provisions, the Statement of Deficiencies will be available to the public.

If assistance is needed, please feel free to call me at 731-421-5113.

Sincerely,

Celia Skelley

Celia Skelley, MSN, RN
Public Health Consultant Nurse 2

CS/TW

STATEMENT OF DEFICIENCIES
AND PLAN OF CORRECTION(X1) PROVIDER/SUPPLIER/CLIA
IDENTIFICATION NUMBER

TNP531117

(X2) MULTIPLE CONSTRUCTION

A. BUILDING 77 - BMH-TIPTON /OFF SITE F
B. WING(X3) DATE SURVEY
COMPLETED

02/03/2009

NAME OF PROVIDER OR SUPPLIER

BAPTIST MEMORIAL HOSPITAL TIPTON

STREET ADDRESS, CITY, STATE, ZIP CODE

1995 HIGHWAY 51 S
COVINGTON, TN 38019(X4) ID
PREFIX
TAGSUMMARY STATEMENT OF DEFICIENCIES
(EACH DEFICIENCY MUST BE PRECEDED BY FULL
REGULATORY OR LSC IDENTIFYING INFORMATION)ID
PREFIX
TAGPROVIDER'S PLAN OF CORRECTION
(EACH CORRECTIVE ACTION SHOULD BE
CROSS-REFERENCED TO THE APPROPRIATE
DEFICIENCY)(X5)
COMPLETION
DATE

H 871

1200-8-1-08 (1) Building Standards

(1) The hospital must be constructed, arranged,
and maintained to ensure the safety of the
patient.

This Rule is not met as evidenced by:
Based on observations, it was determined the
facility failed to maintain the electrical system in a
manner that would ensure the safety of the
residents.

The findings included:

Observations during the facility tour on 2/3/09
beginning at 9:00 AM, the following problems
were noted:

1. The East wing on the 2nd floor had 8 of 8
emergency receptacles had white receptacles
with red cover plates over them.
2. Two (2) emergency lights were inoperative in
the kitchen. One outside the dietary office and
one at the male locker room.

H 871

1. Red emergency receptacles
ordered to replace white
plugs. Maintenance will
inspect during monthly
inspections to insure correct
plugs are present.

2/28/09

2. Breaker had been tripped
during floor cleaning and had
not been reset. Breaker was
inspected and found to be in
good order and reset.
Maintenance will continue to
inspect monthly to insure
lights work properly.

2/3/09

Division of Health Care Facilities

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE

STATE FORM

TITLE

CEO

(X6) DATE

2/18/09

QVR021

If continuation sheet 1 of



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

February 26, 2009

Mr. Barry Bondurant, Administrator
BMH - Tipton
1995 Hwy 51 S
Covington, TN 38019

RE: Fire Safety Licensure Survey

Dear Mr. Bondurant:

On **February 3, 2009**, a fire safety licensure survey was conducted at your facility. Your plan of correction for this survey has been received and was found to be acceptable.

Thank you for the consideration shown during this survey.

Sincerely,

Celia Skelley/TW

Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CES/TJW



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

March 24, 2009

Mr. Barry Bondurant, Administrator
BMH - Tipton
1995 Hwy 51 S
Covington, TN 38019

Dear Mr. Bondurant:

On March 17, 2009, a surveyor from our office completed a revisit to verify that your facility had achieved and maintained compliance. Based on our revisit, we found that your facility had demonstrated compliance with deficiencies cited on the fire safety licensure survey completed on February 3, 2009.

If this office may be of any assistance to you, please call 731-421-5113.

Sincerely,

Celia Skelley
Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CS/TW

Joint Commission

BMH – Memphis



September 8, 2011

Derick Ziegler
CEO
Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, TN 38120

Joint Commission ID #: 7869
Program: Hospital Accreditation
Accreditation Activity: 45-day Evidence of
Standards Compliance
Accreditation Activity Completed: 08/29/2011

Dear Mr. Ziegler:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high-quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

The Joint Commission is granting your organization an accreditation decision of Accredited for all services surveyed under the applicable manual(s) noted below:

- Comprehensive Accreditation Manual for Hospitals

This accreditation cycle is effective beginning June 11, 2011. The Joint Commission reserves the right to shorten or lengthen the duration of the cycle; however, the certificate and cycle are customarily valid for up to 36 months.

Please visit [Quality Check®](#) on The Joint Commission web site for updated information related to your accreditation decision.

We encourage you to share this accreditation decision with your organization's appropriate staff, leadership, and governing body. You may also want to inform the Centers for Medicare and Medicaid Services (CMS), state or regional regulatory services, and the public you serve of your organization's accreditation decision.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Sincerely,

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations



September 8, 2011

Re: # 7869
CCN: #440048
Program: Hospital
Accreditation Expiration Date: September 11, 2014

Derick Ziegler
CEO
Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, Tennessee 38120

Dear Mr. Ziegler:

This letter confirms that your June 06, 2011 - June 10, 2011 unannounced full resurvey was conducted for the purposes of assessing compliance with the Medicare conditions for hospitals through The Joint Commission's deemed status survey process.

Based upon the submission of your evidence of standards compliance on August 19, 2011 and August 12, 2011, the areas of deficiency listed below have been removed. The Joint Commission is granting your organization an accreditation decision of Accredited with an effective date of June 11, 2011. We congratulate you on your effective resolution of these deficiencies.

§482.11 Condition of Participation: Compliance with Federal, State and Local Laws
§482.23 Condition of Participation: Nursing Services
§482.24 Condition of Participation: Medical Record Services
§482.26 Condition of Participation: Radiologic Services
§482.41 Condition of Participation: Physical Environment

The Joint Commission is also recommending your organization for continued Medicare certification effective June 11, 2011. Please note that the Centers for Medicare and Medicaid Services (CMS) Regional Office (RO) makes the final determination regarding your Medicare participation and the effective date of participation in accordance with the regulations at 42 CFR 489.13. Your organization is encouraged to share a copy of this Medicare recommendation letter with your State Survey Agency.

This recommendation also applies to the following location(s):

Baptist Memorial Hospital
d/b/a Baptist Memorial Hospital - Memphis Campus
6019 Walnut Grove Road, Memphis, TN, 38120

Baptist Memorial Hospital - Collierville Campus
1500 West Poplar, Collierville, TN, 38017

www.jointcommission.org

Headquarters
One Renaissance Boulevard
Oakbrook Terrace, IL 60181
630.792.5000 Voice



Baptist Memorial Hospital for Women Mammography
4545 Poplar Avenue, Memphis, TN, 38117

Baptist Memorial Hospital for Women
6225 Humphreys Blvd., Memphis, TN, 38120

Baptist Rehab
440 Powell Road, Collierville, TN, 38017

Outpatient Rehab East
50 Humphreys Boulevard, Suite 36, Memphis, TN, 38120

Stern Cardiovascular Clinic Outpatient Diagnostics
8060 Wolf River Boulevard, Germantown, TN, 38138

Women's Health Center
50 Humphreys Boulevard, Suite 23, Memphis, TN, 38120

We direct your attention to some important Joint Commission policies. First, your Medicare report is publicly accessible as required by the Joint Commission's agreement with the Centers for Medicare and Medicaid Services. Second, Joint Commission policy requires that you inform us of any changes in the name or ownership of your organization, or health care services you provide.

Sincerely,

Ann Scott Blouin RN, PhD

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations

cc: CMS/Central Office/Survey & Certification Group/Division of Acute Care Services
CMS/Regional Office 4/Survey and Certification Staff



Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, TN 38120

Organization Identification Number: 7869

Evidence of Standards Compliance (45 Day) Submitted: 8/19/2011

Program(s)
Hospital Accreditation

Executive Summary

Hospital Accreditation : As a result of the accreditation activity conducted on the above date(s), there were no Requirements for Improvement identified.
You will have follow-up in the area(s) indicated below:

- Measure of Success (MOS) – A follow-up Measure of Success will occur in four (4) months.

If you have any questions, please do not hesitate to contact your Account Executive.

Thank you for collaborating with The Joint Commission to improve the safety and quality of care provided to patients.

**The Joint Commission
Summary of Compliance**

Program	Standard	Level of Compliance
HAP	IM.02.02.01	Compliant
HAP	LS.01.02.01	Compliant
HAP	MM.04.01.01	Compliant
HAP	TS.03.02.01	Compliant

The Joint Commission Summary of CMS Findings

CoP: §482.23 **Tag:** A-0385 **Deficiency:** Compliant

Corresponds to: HAP

Text: §482.23 Condition of Participation: Nursing Services

The hospital must have an organized nursing service that provides 24-hour nursing services. The nursing services must be furnished or supervised by a registered nurse.

CoP Standard	Tag	Corresponds to	Deficiency
§482.23(c)(2)	A-0406	HAP - MM.04.01.01/EP13	Compliant

CoP: §482.41 **Tag:** A-0700 **Deficiency:** Compliant

Corresponds to: HAP

Text: §482.41 Condition of Participation: Physical Environment

The hospital must be constructed, arranged, and maintained to ensure the safety of the patient, and to provide facilities for diagnosis and treatment and for special hospital services appropriate to the needs of the community.

CoP Standard	Tag	Corresponds to	Deficiency
§482.41(c)(2)	A-0724	HAP - EC.02.03.05/EP19	Compliant



August 29, 2011

Derick Ziegler
CEO
Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, TN 38120

Joint Commission ID #: 7869
Program: Hospital Accreditation
Accreditation Activity: 60-day Evidence of
Standards Compliance
Accreditation Activity Completed:
08/29/2011

Dear Mr. Ziegler:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high - quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

With that goal in mind, your organization received Requirement(s) for Improvement during its recent survey. These requirements have been summarized in the Accreditation Report provided by the survey team that visited your organization.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Please visit [Quality Check®](#) on The Joint Commission web site for updated information related to your accreditation decision.

Sincerely,

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

PRINTED: 10/24/2007
FORM APPROVED
OMB NO. 0938-0391

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING 01 BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED C 10/17/2007
---	--	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 8019 WALNUT GROVE ROAD MEMPHIS, TN 38120
--	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

A 166	<p>482.13(e)(4)(i) PATIENTS RIGHTS: RESTRAINT OR SECLUSION</p> <p>The use of restraint or seclusion must be in accordance with a written modification of the patient's plan of care.</p> <p>This STANDARD is not met as evidenced by: Based on medical record review, observation and interview, it was determined that the hospital failed to ensure a comprehensive assessment that included a physician assessment to identify medical problems that might be causing behavior changes in the patient had been completed and patient plans of care modified to include the use of restraints for 3 of 3 (Patients #10, 11, and 13) sampled patients with restraints.</p> <p>The findings included:</p> <ol style="list-style-type: none"> 1. Medical record review for patient #10 documented bilateral wrist restraints were applied to the patient on 10/12/07. <p>Observations on 10/16/07 at 1100 revealed bilateral wrist restraints intact on the patient.</p> <p>Review of the patient's most recent plan of care dated 10/12/07 revealed no documentation the plan of care had been modified to include the use of restraints.</p> <ol style="list-style-type: none"> 2. Medical record review for patient # 11 documented the patient was placed in bilateral wrist restraints on 10/7/07 <p>Observations on 10/16/07 at 1130 revealed bilateral wrist restraints intact on the patient</p> <p>Review of the patient's plan of care Continued From page 1 dated 10/16/07 revealed no documentation the care plan had been</p>	A 166	<p>The use of restraint or seclusion must be in accordance with a written modification of the patient's plan of care.</p> <ul style="list-style-type: none"> • Revised existing decision tree (Attachment #1) to direct the appropriate assessment, management, and documentation of the restraint episode. The decision tree includes: <ul style="list-style-type: none"> • Consultation with charge nurse/manager prior to restraint • Notification of House Supervisor for every restraint outside of Critical Care. • Notify Critical Care charge nurse/manager prior to restraints inside Critical Care. • House Supervisor/Charge Nurse/Manager, in conjunction with the bedside nurse, will assure that alternatives have been exhausted and are documented. • House Supervisor/Charge Nurse/Manager, in conjunction with the bedside nurse, will assure that the Plan of Care is updated to reflect the interventions. • House Supervisor/Charge Nurse/Manager will monitor compliance by rounding on all restrained patients daily or every 12 hours depending on the category of restraint. Monitoring will include documentation and the Plan of Care • Physician notification remains inherent within the decision tree. <p>Process Changes:</p> <ul style="list-style-type: none"> • Restraints will no longer be available from Central Supply (CSR) carts on units. • Remove restraints from CSR carts on all the units. • Remove all belts and vests from hospital inventory <p>All requests for a restraint will follow the revised Decision Tree</p>	<p>10/31/07</p> <p>11/20/07</p>
-------	--	-------	--	---------------------------------

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 5018 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	--	----------------------------

A 166

modified to include the use of restraints. There was no documentation of other care plans.

3. Medical record review for patient #13 documented the patient was placed in bilateral wrist restraints on 10/12/07

Observations on 10/16/07 at 1150 revealed bilateral wrist restraints intact on the patient.

Review of the most recent plan of care dated 10/11/07 revealed no documentation the plan of care had been modified to include the use of restraints.

4. During an interview on 10/16/07 at 1155, the Chief Nursing Officer verified the above.

Validate appropriate documentation by:

- House Supervisor/Critical Care and ED charge nurses will ensure that Staff obtain and generate appropriate documents for restraint application:
 - MD notification to obtain order
 - Complete nursing documentation
 - Updates Plan of Care
 - Notification and Education of patient family/significant other

11/20/07

Monitoring

- House Supervisor/Critical Care and ED charge nurses Concurrent monitoring of 100% of the restraint process for completion utilizing the Medical Restraint PI Tool/Restraint Log (Attachment #2).

11/20/07

Education

- Mandatory Educational Skills Fair is being conducted promoting mandatory education on all aspects of the Restraint/Seclusion Policy, new process, alternatives to restraint and monitoring expectations (Attachment #3).
- Our intranet based *Net Learning* software will be used to administer the post-test and keep completion logs. Numerator = all who complete education, denominator = all who should be educated. (Attachment #4)

11/6/07 -
11/21/07

11/7/07

A 168

Refer to A 175.
482.13(e)(5) PATIENTS RIGHTS:
RESTRAINT OR SECLUSION

The use of restraint or seclusion must be in accordance with the order of a physician or other licensed independent practitioner who is responsible for the care of the patient as specified under 482.12(c) and authorized to order restraint or seclusion by hospital policy in accordance with State law.

This standard is not met as evidenced by Based on policy review, record review, and interview it was determined that the hospital failed to obtain orders for the use of medical restraints on all patients for 1 of 3 (Patient #11) sampled patients with medical restraints.

A 168

Validate appropriate documentation by:

- House Supervisor/Critical Care and ED charge nurses will ensure that Staff obtain and generate appropriate documents for restraint application:
 - MD notification to obtain order
 - Complete nursing documentation
 - Updates Plan of Care
 - Notification and Education of patient family/significant other

Monitoring

- House Supervisor/Critical Care and ED charge nurses monitors 100% of the restraint process for completion utilizing the restraint log (Attachment #2)

11/20/07

Education

- Mandatory Educational Skills Fair is

11/6/07 -
11/21/07

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A BUILDING BAPTIST MEMORIAL HOS B WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

A 175	<p>The findings included:</p> <ol style="list-style-type: none"> Review of the hospital's policy, "Medical Restraint", documented, "... The continued use of restraints beyond the first 24-hours is authorized by the physician... this renewal or new order is issued no less than once each calendar day..." Medical record review for Patient #11 documented, on the restraint assessment forms dated 10/07/07 to 10/15/07, the patient had bilateral wrist restraints intact. There was no documentation of a physician's order for the restraints for 10/7/07 and 10/8/07 and from 10/10/07 to 10/14/07. <p>Observations on 10/16/07 at 2:00 PM revealed bilateral wrist restraints intact on the patient. There was no documentation of a physician's order for the 10/16/07 restraints.</p> <ol style="list-style-type: none"> During an interview on 10/16/07 at 2:07, the Chief Nursing Officer verified the above. 	A 175	<p>being conducted promoting mandatory education on all aspects of the Restraint/Seclusion Policy, new process, alternatives to restraint and monitoring expectations (Attachment #3).</p> <ul style="list-style-type: none"> Our intranet based <i>Net Learning</i> software will be used to administer the post-test and keep completion logs. Numerator = all who complete education, denominator = all who should be educated. (Attachment #4) Baptist MD, our electronic physician communication portal will be flagged with a reminder that restraints require immediate physician notification and order. The CNO will be placed on the agenda of the Medical Staff Committee meetings to address the issue of immediate notification for all types of restraints. 	11/13/07
	<p>Refer to A 175 482.13(e)(10) PATIENT RIGHTS: RESTRAINT OR SECLUSION</p> <p>The condition of the patient who is restrained or secluded must be monitored by a physician, other licensed independent practitioner or trained staff that have completed the training criteria specified in paragraph (f) of this section at an interval determined by hospital policy.</p> <p>This STANDARD is not met as evidenced by: Based on policy review, medical record review, and interview, it was determined the hospital failed to ensure patients in restraint were continually monitored and evaluated for 3 of 3 (Patients #10, 11, and 13) sampled patients with restraints.</p> <p>The findings included:</p> <ol style="list-style-type: none"> Review of the hospital's policy "Medical Restraints" documented, "Visual 		<p>Patients in restraints are continually monitored and evaluated.</p> <p>Compliance will be achieved by:</p> <p>Education</p> <ul style="list-style-type: none"> Mandatory Educational Skills Fair is being conducted promoting mandatory education on all aspects of the Restraint/Seclusion Policy, new process, alternatives to restraint and monitoring expectations (Attachment #3). Our intranet based <i>Net Learning</i> software will be used to administer the post-test and keep completion logs. Numerator = all who complete education, denominator = all who should be educated. (Attachment #4) 	11/12/07
	<p>The findings included:</p> <ol style="list-style-type: none"> Review of the hospital's policy "Medical Restraints" documented, "Visual 		<p>Decreasing opportunities to fail via use of restraint reduction strategies:</p> <ul style="list-style-type: none"> Change process for obtaining restraints. Restraints will no longer be available from Central Supply (CSR) carts 	11/20/07

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A BUILDING BAPTIST MEMORIAL HOS B WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER

BAPTIST MEMORIAL HOSPITAL

STREET ADDRESS, CITY, STATE, ZIP CODE

6019 WALNUT GROVE ROAD

MEMPHIS, TN 38120

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

observation of the patient occurs a minimum of every 1 hour... assessment... every 2 hours includes the following, vital signs... circulation and release of Continued From page 3 restraint... physical, psychological status and comfort...

- 2 Medical record review for Patient #10 documented the patient was placed in bilateral wrist restraints on 10/12/07 at 1100. Review of the 'Medical Restraint Assessment and Documentation' form dated 10/12/07 revealed no documentation of visual observation of the patient from 0300 - 0800. There was no documentation the patient's vital signs, circulation/release, physical, psychological and comfort status were assessed from 0000 - 0800.

Review of the 'Medical Restraint Assessment and Documentation' Form dated 10/13/07 revealed no documentation of visual observations of the restraint or assessment of the patient's vital signs, circulation/release, physical psychological and comfort status from 1100 - 1400 and from 0400 - 0800.

Review of the 'Medical Restraint Assessment and Documentation' form dated 10/14/07 revealed no documentation of assessments of the patient's vital signs from 0700 - 1400

Review of the 'Medical Restraint Assessment and Documentation' form dated 10/15/07 revealed no documentation of visual observations of the restraints and assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 1200 - 1400

- 3 Medical record review for patient #11 documented the patient was placed in bilateral wrist restraints on 10/7/07. There was no documentation in the patient's medical record of the Medical Restraint Assessment and

on units.

- Remove restraints from CSR carts on all the units.
- Remove all belts and vests from hospital inventory.
- All requests for a restraint must come from the unit to the House Supervisor, Critical Care charge nurse or ED charge nurse. Materials can dispense restraints only on order of the House Supervisor, Critical Care and ED Charge Nurses.

Assigning bottom line accountability for continual monitoring and evaluation of patients in restraints:

- Nurse Managers/Charge Nurses will round on every restraint patient every shift and verify documentation and application per policy.
- House Supervisor/Critical Care and ED charge nurses monitors 100% of the restraint process for completion utilizing the restraint log (Attachment #2).

11/20/07

STATEMENT OF DEFICIENCIES NO PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 4019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	---	----------------------------

Documentation" forms for the use of restraints.

During an interview on 10/16/07 at 2:30 PM, the Chief Nursing Officer (CNO) verified there was no documentation of the medical restraint assessment forms on this patient and restraint assessment would be documented in the computer generated nurse's notes.

Review of the computerized generated nurse's note dated 10/7/07 revealed no documentation of visual observations of the restraints at 1900 and 2000.

Review of the computerized generated nurse's notes dated 10/10/07 revealed no documentation of visual observations of the restraint or assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 0600-1900.

Review of the computerized generated nurse's notes dated 10/15/07 revealed no documentation of visual observations of the restraint or assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 1200 - 1540.

- 4 Medical Record review for Patient #13 documented the patient was placed in bilateral wrist restraints on 10/12/07 at 0700

Review of the "Medical Restraint and Documentation" form dated 10/12/07 revealed no documentation of visual observation of the restraints at 1000 and 1100.

Review of the "Medical Restraint and Documentation" form dated 10/13/07 revealed documentation of visual observations of the restraint or assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 1500 - 0600

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL			STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120	
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE

Review of a "Medical Restraint and Documentation" form, which was not dated but verified by the Unit Director as the form for 10/14/07, revealed no documentation of visual observations or assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 0100 - 0600.

Review of a "Medical Restraint and Documentation" form, which was not dated but verified by the Unit Director as the form for 10/15/07, revealed no documentation of visual observations or assessments of the patient's vital signs, circulation/release, physical, psychological and comfort status from 0700 - 1800.

- 5 During an interview on 10/16/07 at 11:00 AM, the Unit Director verified the above findings.

482.23 NURSING SERVICES

A 385

The hospital must have an organized nursing service that provides 24-hour nursing services. The nursing services must be furnished or supervised by a registered nurse.

This CONDITION is not met as evidenced by: Based on medical record review, observations and interview, it was determined the nursing staff failed to provide necessary service to all patients

A 385

Nursing Services will provide necessary services to all patients. Further, Nursing Services will assure that provision of services by deploying action plans that include staff education, frequent monitoring, and assigning bottom-line accountability for documenting compliance:

The findings include:

- 1 The nursing staff failed to follow hospital policy for the assessment and supervision and documentation for the use of restraints.
Refer to A 175.

A 175

The hospital will ensure that patients in restraints are continually monitored and evaluated.

11/8/07 -
11/21/07

Compliance will be achieved by:

Education

- Mandatory Educational Skills Fair is being conducted promoting mandatory education on all aspects of the Restraint/Seclusion Policy new

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

2 The nursing staff failed to supervise and evaluate the care for each patient. Refer to A 395.

3 The nursing staff failed to individualize and update the nursing care plan for each patient. Refer to A166 and A 396.

482 23(b)(3) RN SUPERVISION OF NURSING CARE

A registered nurse must supervise and

process, alternatives to restraint and monitoring expectations (Attachment #3).

- Our intranet based *Net Learning* software will be used to administer the post-test and keep completion logs. Numerator = all who complete education, denominator = all who should be educated. (Attachment #4)

Decreasing opportunities to fall via use of restraint reduction strategies:

- Change process for obtaining restraints. Restraints will no longer be available from Central Supply (CSR) carts on units.
- Remove restraints from CSR carts on all the units.
- Remove all belts and vests from hospital inventory.
- All requests for a restraint must come from the unit to the House Supervisor, Critical Care charge nurse or ED charge nurse. Materials can dispense restraints only on order of the House Supervisor, Critical Care and ED Charge Nurses.

Assigning bottom line accountability for continual monitoring and evaluation of patients in restraints:

- Nurse Managers/Charge Nurses will round on every restraint patient every shift and verify documentation and application per policy.
- House Supervisor/Critical Care and ED charge nurses monitors 100% of the restraint process for completion utilizing the restraint log (Attachment #2).

11/20/07

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL		STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120	
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)
			(X5) COMPLETION DATE

A 396

evaluate the nursing care for each patient.

This STANDARD is not met as evidenced by: Based on medical record review, observation, and interview, it was determined the nursing staff failed to correctly assess pressure wounds and provide wound care in accordance with the physician's orders for 3 of 5 (Patients #1, #11, and #20) sampled patients with pressure ulcers; and failed to adhere to a physician's orders for fluid restriction for 1 of 1 (Patient #12) sampled patients with ordered fluid restriction.

The findings included:

1. Medical records review revealed Patient #1 was admitted on 9/27/07 with a diagnosis of rib/abdominal pain. Review of the initial nursing skin assessment, dated 9/27/07, revealed documentation there was no skin impairment and the patient had a Braden score of 15 (low level of risk for skin breakdown).

Review of the ET nurse's note dated 10/12/07 revealed documentation of a sacral pressure ulcer 4 cm x 7 cm with scant amount of drainage and dressing open to air.

Review of physician's orders dated 10/12/07 revealed the following order:
"1) Xenaderm ointment to sacral wound BID (twice daily) 3) float heels off mattress"

Review of the physician's orders dated 10/13/07 revealed the following:
"Please use Duoderm on sacral ulcer if possible"

Review of the nursing notes revealed the following documentation:
10/13/07 at 15:36 "Stage I sacral pressure wound. Dressing. Alley dressing applied"
10/14/07 at 08:45 "Stage I sacral pressure wound. Dressing. dry, intact"

A 396

Nursing staff will correctly assess, consult, and provide wound care in accordance with the physician's orders.

Standardize Education and Assessment Tools

- Deployed Wound Care Education Plan (Attachment # 5)
 - Content developed by Save Our Skin (SOS) team
 - Poster presentation at education fair to identify stages of decubitus and measuring techniques.
 - Skin and wound assessment training classes with hands on education materials conducted
 - Mandatory self study with test via Net Learning

Increased monitoring of compliance

- Weekly unit based skin rounds (Attachment #6)
 - Review of all patients on each unit at least 1 time per week
 - Documentation of compliance using unit based skin PI monitor (Attachment #7)
- Implement wound assessment tool kit to improve documentation of skin assessment
 - Developed documentation/navigation tips pocket card
 - Graphic pictures of wounds at different stages downloaded into the documentation section of Baptist CD as a reference for nurses who are staging wounds. (Attachment #8)
 - Documentation will reflect new options i.e. Stage 3 healing/healed, unstageable)

11/20/07

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	X1 PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	X3) DATE SURVEY COMPLETED 10/17/2007
---	---	--	--

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	---	----------------------------

10/15/07 at 0230: "Stage II sacral pressure wound, Dressing: dry, intact
10/15/07 AT 11:58: "Stage I sacral pressure wound."
10/15/07 at 17:45: "Stage II sacral pressure ulcer, Dressing: dry, intact.
10/16/07 at 08:15: "Stage II sacral pressure ulcer, Dressing: dry, intact.
10/17/07 at 0945: "Stage II sacral pressure wound; Dressing: open to air".

On 10/17/07 at 11:00 AM, observation of the patient's sacrum revealed a wound opened to the air without a dressing in place. The wound was medium pink to dark pink in color with a gray crusted area approximately 2.5 cm (centimeters) in diameter. The wound was observed covered with a thin coat of a white substance.

On 10/17/07 at 11:10 AM, the patient's caregiver verified the nursing staff had not applied Duoderm dressing to the wound at any time.

Review of the MAR (medication administration record) failed to reveal documentation of a physician's order for the Duoderm. In an interview on 10/17/07, the unit manager verified the physician's order for Duoderm should have been documented on the MAR.

Medical review failed to reveal any nursing documentation the Duoderm dressing was applied to the patient's sacral wound.

- 2 Medical record review for patient #11 revealed the following documentation of skin assessments:
10/7/07 - "Wound 1: groin, skin tear, ulcer, Stage II. Wound 2: scrotum ulcer, Stage I"
10/8/07 - 06:00 "Wound 1: groin, skin tear ulcer, Stage II" 2:00, "Wound 1: groin, intact. Wound 2: Scrotum ulcer, Stage I"
10/9/07 - "Wound 1: groin intact. Wound 2: scrotum ulcer, Stage I"
10/10/07 - "Wound 1: groin intact"
Further Medical record review failed to

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
--	--	---	--

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38126
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	---	----------------------------

reveal documentation related to Wound 2
10/11/07 - 10/17/07 Medical record review failed to reveal documentation of impaired skin or wounds.

On 10/17/07 at 1:30 PM, Patient #11 was observed to have 2 open red areas approximately 2.5 cm in diameter on his scrotum. Observation of the right groin fold area revealed the skin in the center of the fold was not intact and was dark pink in color.

3. Medical record for Patient #20 documented the patient was admitted on 9/14/07 and had surgery 9/15/07 for a CABG (Coronary Artery Bypass Graft). The patient was diagnosed as a new diabetic on 9/15/07 and started on insulin.

The nurses note revealed the following documentation:
9/19/07 at 1543: "abrasion on buttock"
9/20/07: "skin tear buttock"
9/22/07 1800: "Wound 1 Location Right Buttock Pressure Ulcer Stage 2 Hypergranulated."
9/23/07: The wound care nurse was consulted.
9/25/07 the wound care nurse documented, "Stage 3 decubitus ulcer to sacrum 3cm x 1.5 cm with yellow necrotic tissue covering wound base. Wound with loosely detached edges from wound. Wound dry without erythema or odor..."

Orders dated 9/25/07 documented, "Accuzyme ointment to sacral wound daily, cleanse with NS (normal saline), apply Accuzyme ointment to wound base cover with moist gauze then cover with 4x4 and paper tape."

There is no documentation in the medical record the wound was measured after 9/25/07

On 10/17/07 at 11:30 AM during the assessment of the wound the surveyor asked that the wound be measured

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	X1 PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER
BAPTIST MEMORIAL HOSPITAL

STREET ADDRESS, CITY, STATE, ZIP CODE
6019 WALNUT GROVE ROAD
MEMPHIS, TN 38120

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

The wound was moist in appearance, with scant yellow drainage and about 2 inches around the wound was very red and excoriated. The wound measured 4.2 cm x 3 cm.

During an interview on 10/17/07 at 11:40 AM, a staff nurse stated they were looking at the wound but doing nothing until a consultation was made to the wound care nurse on 9/23/07.

4. Medical record review for Patient #12 documented a physician's order dated 10/11/07 for 1000 cc (cubic Centimeters) fluid restriction/(per) 24 hours.

Review of the I&O (Intake and Output) records documented the following:
10/12/07: 1404 cc from 7-3; 1218 cc from 3-11; and 512 cc from 11-7; for a total of 3134 cc in 24 hours.
10/13/07: 0cc fluid from 7-3; 2340 cc from 3-11; and 1228 cc from 11-7; for a total of 3568 cc in 24 hours.
10/14/07: 1000 cc from 7-3; 0cc from 3-11; and 1082 cc from 11-7; for a total of 2082 cc in 24 hours.
10/15/07: 1444 cc from 7-3; 1408 cc from 3-11 and 575 cc from 11-7; for a total of 3425 cc in 24 hours.

During an interview on 10/18/07 at 2:25 PM, the Chief Nursing Officer verified the above.

Based on the medical record review and interview, it was determined the nursing staff failed to notify the clinical dietitian (RD), in accordance with facility policies for 1 of 37 (Patient #37) sampled patients with identified problems of anemia and malnutrition.

The finding included:

1. The "Adult Admission Profile/History/Assessment Record"

The Nursing Staff will notify the clinical dietitian (RD) when patient is assessed at risk for nutritional deficits. RN's should notify the RD when:

- Chewing difficulty
- Swallowing difficulty
- Feeding: Enteral (tube feeds) or TPN
- 10% wt loss, unintentional, in the last 6 months
- Diet change: illness caused amt of food or type
- of food, in the last 6 months

11/08/07

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL			STREET ADDRESS, CITY, STATE, ZIP CODE 5018 WALNUT GROVE ROAD MEMPHIS, TN 38120	
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE

from the Patient Care Policy Manual #10 d. documented "Braden scale scoring is to be done on all patients upon admission... If the score is less than 15, notify Clinical Dietician..."

2. Medical record review for Patient #37 documented the patient was admitted on 10/4/07 with a diagnosis of anemia/acute encephalopathy. The Physician's admission order documented the diet of NPO (nothing by mouth).

A physician consult documented the following: 10/5/07... "anemia and malnutrition... 10/6/07... "terribly debilitated, malnourished 65 year old... has terrible dentition... marked muscle wasting of extremities and extremely poor skin turgor."

The first consult from Nutrition Services was dated 10/10/07.

During an interview on 10/16/07 at 2:10 PM, the RN (registered nurse) manager confirmed the Braden Scale registered 13 on 10/5/07 and Nutritional Services should have been contacted.

During an interview on 10/16/07 at 2:15 PM, the Clinical RD Manager confirmed there was no documentation of an RD consult but "Nutrition Services was alerted by the albumin lab value of 2.2 on 10/8/07."

Based on medical record review and interview, it was determined the nursing services failed to provide pediatric assessments for 2 of 4 (Patients 28 and 31) sampled pediatric patients

The findings included:

1. Medical record review for Patient #28 documented the 2 month old child was brought to the Emergency Department (ED) on 9/22/07 at 11:19 PM by the mother with the complaint of "hit very

- Braden score: <15
- Skin Breakdown: Stage I, II, III, IV
- Food Allergies
- Pregnancy & Lactation

Compliance will be achieved by:

Education

- Mandatory Educational Skills Fair is being conducted promoting mandatory education on all aspects of the Restraint/Seclusion Policy, new process, alternatives to restraint and monitoring expectations (Attachment #3).
- Our intranet based *Net Learning* software will be used to administer the post-test and keep completion logs. Numerator = all who complete education, denominator = all who should be educated. (Attachment #4)

11/6/07

Nursing Services will provide a standard method to allow for the safety of patients who request to leave without being seen (Attachment # 9).

11/20/07

- Any patient that requests to leave the ED from the Waiting Area is referred to the Triage Nurse for an assessment.
- The Triage Nurse if not able to assess the patient quickly calls for the Charge or Head Nurse overhead while telling the patient that a nurse is coming to see them.
- The Assessing Nurse of the patient requesting to leave tries to encourage the

STATEMENT OF DEFICIENCIES	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---------------------------	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	--	----------------------------

hard on back of head". On 9/22/07 at 11:36 PM the mother and child left the ED without being seen after signing a "Refusal of Services". There was no documentation of a nursing assessment for complications prior to the patient leaving the ED.

2. Medical record review for patient #31 documented the 15 month old child was brought to the ED on 9/22/07 at 9:43 PM by the mother with a complaint of "Poss (Possible) swallowed a magnet(s)". On 9/22/07 at 10:02 PM the mother and child left the ED without being seen after signing a "Refusal of Services". There was no documentation of a nursing assessment for complications prior to the patient leaving the ED.

3. During an interview in the conference room on 10/16/07 at 9:15, the CNO verified nursing staff should have performed and assessment for complications in the pediatric area before the patient left the ED.

- patient to stay for treatment.
- If the person still insists on leaving the Assessing Nurse documents on the Refusal of Services form (Form # 0137 202) the following information:
 - Communication of trying to convince patient to stay
 - Assessment and condition of the patient in the Other section
 - Risks of leaving the department without care and the benefits of staying for care.
- If signs of abuse are recognized the nurse contacts social services or the on call social worker to report the findings and this is documented on the Refusal of Services form.

Daily Charge/Head Nurse Review of Central Log:

- Review the Central Log patient complaint columns on LWBS patients that could have signs of abuse.
- Coordinate with Referral and Authorization office for follow-up on LWBS patients.

Daily Referral and Authorization Office Follow-up:

- A Nurse calls all patients that are LWBS daily (Attachment #10)
- The form is completed as best as possible with information from the patient.
- Upon completion of the form it is placed in the LWBS Log book in ED Nursing Office.
- Any patients with questionable history are referred to the ED Head Nurse/Charge Nurse and/or Social Services

The hospital will assure that the nursing staff develops, and keeps current, a nursing care plan for each patient.

Immediate Actions:

- Developed a new plan of care form that addresses all elements of the standard including documentation of patient family discussion, RN oversight and multidisciplinary input
- Involved RN staff and other disciplines RT PT OT Speech ET, Dietitian Case Management, Social Work and

A 396

482 23(b)(4) NURSING CARE PLAN

A 396

The hospital must ensure that the nursing staff develops, and keeps current, a nursing care plan for this patient

This standard is not met as evidenced by: Based on policy review, medical record review and interview, it was determined that the hospital failed to assure that nursing staff developed and kept current an individualized care plan for each patient based on their need for 20 of 37 Patients

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
--	--	---	--

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	--	----------------------------

#1,3,8,9,10,11,12,14,16,17,20,22, 23, 24, 25, 26, 27, 35, and 36) sampled patients.

The findings included:

1. Review of the hospital's policy "Plan of Care", documented, "...A plan of care is developed from the findings of the initial assessment. The written plan of care is initiated within 8 hours post admission and completed within 24 hours. The plan is developed by the RN (Registered Nurse)...the plan is individualized based on assessment findings... daily focus goals are updated every 24 hours and pm. Update includes reviewing, revision and resolving problems with documentation of the activities. ..."

Review of the hospital's policy, "Patient Plan of Care Guidelines", documented, "... Document... the time the plan is reviewed by the RN... signature of the RN reviewing the plan... (document) neuron... cardiac... pulmonary... GI/Nutrition, diet orders, tube feedings, enteral feedings, nutritional supplements... Skin/Wound, skin care, wound care therapeutic surfaces, dressing changes...".

2. Medical record review for Patient #1 documented the patient was admitted on 9/27/07. There was no documentation an initial plan of care was developed and initiated within 8 hours and completed within 24-hours of admission. A plan dated 10/10/07 revealed no signature of the RN who developed the plan. Review of the physician's orders dated 10/12/07 documented the patient had a sacral decubitus and to cleanse the decubitus twice/daily (BID). There was no documentation on the plan of care dated 10/12/07 the plan had been reviewed and revised for the sacral decubitus.

3. Medical record review for Patient #3 documented on 10/9/07 the patient's plan of care was reviewed. There was

Pharmacy) in the development of the new form.

- Implemented new plan of care. (Attachment #11)
 - Finalize new plan of care form and the goal/priority list. (Attachment #12)
 - Develop guidelines for the use of the new plan of care, hand-off report in HED, and daily goal/priority list.
 - Locate the new plan of care outside each patient's room inside a separate folder.
 - Educate all disciplines on use of new patient plan of care, hand-off report in HED, and daily goal/priority list.
 - Delete supply of current goal sheets from nursing units and store room..
- Nurse Managers/Charge Nurses will round on every patient everyday and review Plan of Care for accuracy, completion, and RN oversight.
- "One Minute Rounds", the daily process of multidisciplinary rounding that occurs on each unit will be facilitated using the Plan of Care in order to get concurrent multidisciplinary input.

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 5019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	--	----------------------------

	no signature of the RN who developed the plan who reviewed the plan of care.			
4	Medical record review for Patient #8 documented the patient was admitted on 8/24/07 with multiple myeloma, began hemodialysis during the hospital course and developed depression due to the dialysis. There was no documentation on the plans dated 9/18/07 - 10/16/07 that depression had been identified as a problem or goals/interventions developed for the patient's depression.			11/8/2007
5	Medical record review for Patient #9 documented the patient was admitted on 9/22/07 for abdominal pain, hospice care and an albumin level of 2.8 (normal 3.4-5.5). There was no documentation an initial plan of care was developed within 8 hours or completed within 24-hours of admission.			
6	Medical record review for Patient #10 documented the patient was admitted on 10/12/07. Review of the plan of care documented an initial plan was initiated on 10/12/07. There was no documentation of completion of the plan within 24-hours, the RN's signature who developed the plan not reviews of the plan every 24-hours during the hospital stay.			
7	Medical record review for Patient #11 documented the patient was admitted on 10/07/07. There was no documentation an initial plan of care was developed within 8 hours and completed within 24-hours post admission. There was no documentation that a plan had been reviewed every 24-hours during the hospital stay. A plan dated 10/18/07 revealed no documentation of the patient's neuron, cardiac, nutritional, skin status or goals. There was no signature of the RN who developed the plan of care.			
8	Medical record review of Patient #12			

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____		(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL			STREET ADDRESS CITY STATE ZIP CODE 5018 WALNUT GROVE ROAD MEMPHIS, TN 38120		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE	

- documented the patient was admitted on 10/11/07. There was no documentation an initial care plan was developed and initiated within 8 hours or completed within 24-hours of admission. A plan dated 10/16/07 revealed no documentation the plan was individualized to include the physician's ordered 1000 cubic centimeters (cc) fluid restriction/day, goals or the signature of the RN who developed the plan of care.
9. Medical record review for Patient #14 documented the patient was admitted on 10/11/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24-hours of admission. A plan dated 10/11/07 revealed no signature of the RN who developed the plan, patient goals of documentation the plan had been reviewed every 24-hours.
10. Medical record review for Patient #14 documented the patient was admitted on 10/11/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24-hours of admission. A plan dated 10/15/07 revealed no documentation of the patient's sacral wound care or nutritional supplements the patient was receiving. There was no documentation the plan had been reviewed every 24 hours.
11. Medical record review for Patient #16 documented the patient was admitted on 9/14/07. An initial plan of care dated 9/14/07 revealed no signature of the RN who developed the plan of care or goals for the patient's identified problems.
12. Medical record review for Patient # 17 documented the patient was admitted on 10/11/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6018 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	---	----------------------------

	admission.			
13	Medical record review for patient #20 documented the patient was admitted on 9/14/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. The plans dated 9/22/07, 9/23/07, 9/24/07, 9/25/07, 9/28/07, 9/29/07, 9/30/07, 10/2/07, 10/3/07, 10/5/07, 10/8/07, 10/7/07, and 10/13/07 revealed no signature of the RN's who reviewed/revised the plans of care.			
14	Medical record review for Patient #22 documented the patient was admitted on 10/12/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. A plan dated 10/15/07 revealed no signature of the Rn who developed the plan or documented reviews of the plans every 24 hours during the hospital stay.			
15	Medical record review for Patient #23 documented the patient was admitted on 10/8/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. A plan dated 10/15/07 revealed no signature of the RN who developed the plan of care or documentation the plan was reviewed every 24 hours during the hospital stay.			
16	Medical record review for Patient # 24 documented the patient was admitted on 10/4/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission.			
17	Medical record review of Patient #25 documented the patient was admitted on 10/13/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of			

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION		(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____		(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL			STREET ADDRESS, CITY, STATE, ZIP CODE 5018 WALNUT GROVE ROAD MEMPHIS, TN 38128		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)		(X5) COMPLETION DATE

- admission.
18. Medical record review for patient #26 documented the patient was admitted on 10/12/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. A plan dated 10/15/07 revealed no signature of the RN who developed the plan of care.
 19. Medical record review for patient #27 documented the patient was admitted on 10/15/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. A plan dated 10/15/07 revealed no signature of the RN who developed the plan of care.
 20. Medical record review for patient #36 documented the patient was admitted on 10/8/07. There was no documentation an initial plan of care was developed and initiated within 8 hours or completed within 24 hours of admission. A plan dated 10/10/07 revealed no documentation of the patient's neuron, cardiac, pulmonary, nutritional, skin status or patient goals or a signature of the RN who developed the plan of care.
 21. Medical review for Patient #36 documented the patient was admitted on 10/2/07 for weakness and shortness of breath (SOB) associated with end stage renal disease (ESRD) and dialysis. There was no documentation an initial plan of care was developed and initiated within 8 hours and completed within 24 hours of admission. Review of the plans dated 10/5/07 - 10/18/07 revealed no documentation the plans had been individualized for goals for the patient's SOB and dialysis treatments.
 22. During an interview on 10/18/07 at 2:15 PM, the CNO verified the above findings.

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL		STREET ADDRESS, CITY, STATE, ZIP CODE 8918 WALNUT GROVE ROAD MEMPHIS, TN 38128	
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)
			(X5) COMPLETION DATE

A 459

Refer to A 168.
482.24(c)(2)(i) CONTENT OF RECORD-
HISTORY AND PHYSICAL

All records must document, as appropriate, evidence of a medical history and physical examination completed no more than 30 days before or 24 hours after admission.

This STANDARD is not met as evidenced by: Based on record review and interview, it was determined the facility failed to complete the history and physical (H&P) examination for 2 of 28 (Patient #23 and 24) sampled patients.

The findings included:

1. Medical record review on 10/15/07 for Patient #23 documented the patient was admitted on 10/8/07 with a H&P dated 10/8/07 that had not been signed by the physician.
2. Medical record review on 10/15/07 for Patient #24 documented the patient was admitted 10/4/07 with a H&P dated 10/4/07 that had not been signed by the physician.
3. During an interview on the 2nd floor on 10/15/07 at 11:40 AM, the Chief Nursing Officer (CNO) verified the H&P's should have been signed by the physician no later than 24-hours after admission.

A 468

482.24(c)(2)(vii) CONTENT OF RECORD-
DISCHARGE SUMMARY

All records must include discharge summary with outcome of hospitalization, disposition of care and provisions for follow-up care.

This STANDARD is not met as evidenced by: Based on medical record review, it was determined the facility failed to ensure all patient records contain a discharge

A 459

Based upon both Section 482.24(c)(2)(i) include provisions requiring evidence of a medical history and physical examination completed no more than 30 days before or 24 hours after admission. Cases, #23 and #24 had a "physician dictated" history and physical present in the medical record within the 24 hour timeframe requirement. Had these been dictated by a non-physician, authentication within the 24 hour timeframe would have been necessary. Under this citation, there are no regulatory requirements for physicians "signing" of the history and physical within 24 hours. The BMMH Memphis Rules and Regulations (Attachment #13) require H&P's to be completed and on the chart within 24-hours, but they do not require signature authentication to be considered complete.

Had there been a hand-written history and physical present, the requirement for signature of medical record entries would have been applied for the "entry".

A 468

In reviewing this citation it is believed that patient # 15 was incorrectly identified because it was an outpatient procedure case. We believe the patient most closely fitting the demographics described in the citation is patient # 16. In reviewing the discharge summaries of patients # 16 and #17 it is determined that both patients had completed discharge summaries which included a discharge summary discussing the outcome of the hospitalization, the disposition of the patient, and provisions for follow-up care (Attachment # 14 and 15)

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6018 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	--	----------------------------

A 630	<p>summary for 2 of 20 (Patient #15 and 17) closed record reviewed. The findings included:</p> <p>Medical record review for Patients #15 and #17 revealed no documentation of a discharge summary discussing the outcome of the hospitalization, the disposition of the patient, and provisions for follow-up care.</p> <p>482.28(b)(2)DIETS</p> <p>Nutritional needs must be met in accordance with recognized dietary practices and in accordance with orders of the practitioner or practitioners responsible for the care of the patients.</p> <p>This STANDARD is not met as evidenced by: Based on review of the hospital's policy for pressure ulcers, review of the medical record, and interview, it was determined that the facility failed to follow it's nutrition policy for multiple decubitus ulcers for 1 of 5 (Patient #10) sampled patients with decubitus reviewed.</p> <p>The findings include:</p> <ol style="list-style-type: none"> 1. Review of the hospital's policy for "Pressure ulcers" documented. Malnutrition, dehydration, whether secondary to poor appetite places the client at risk of tissue breakdown and poor healing. Patients with the above-described risk factors should receive a complete nutrition assessment and care plan designed to address each nutrition problem identified. The following guidelines will usually meet the patient's needs. Adequate energy intake of 30-35 [kcal/kg] calories per kilogram of the present body weight. Use lower range for stages 1 and 2 and higher range for stages 3 and 4 ulcers and for ulcers at multiple sites. proper hydration to maintain skin elasticity. The optimal fluid intake is for a minimum of 1,500 milliliters per day. 	A 630	<p>Nutritional needs will be met in accordance with recognized dietary practices and in accordance with the orders of the practitioner.</p> <ul style="list-style-type: none"> • Dietitian meeting held to introduce reference and educate regarding its use in documentation. • The Registered Dietitian reviews computer-generated data and screens any patient with the following. <ul style="list-style-type: none"> • Albumin < 2.8 or Prealbumin < 18 (Exception: Aortic Aneurysm, Coronary Artery Bypass Graft (CABG), Femoral Popliteal Graft, Aortic Valve Replacement (AVR), Mitral Valve Replacement (MVR), Total or Radical Hysterectomy (TAH/RAH), Laminectomy, Cardiac Intervention Unit due to blood loss) • Diet order of Total Parenteral Nutrition • Tube Feeding • >85 years of age • LOS >7 days for adult patients, greater than 3 days (72 hours) for pediatric patients. • NPO >5 days • Consults (Physician ordered, nursing referrals (initial nursing screen), patient request for consult) • High Risk Admitting Diagnosis affecting nutritional status per registered dietitian's clinical judgment. Examples include malnutrition, weight loss, failure to thrive, etc. • Developed abbreviated reference for clinical dietitians to use when assessing patient's needs. (Attached #10) 	
-------	---	-------	---	--

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED
	440048		10/17/2007

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 5019 WALNUT GROVE ROAD MEMPHIS, TN 38120
--	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	--	---------------------	---	----------------------------

2. Medical record review for Patient #10 documented an admission date of 10/12/07 with diagnoses of large eschar on the heel, large sacral decubitus, peripheral vascular disease, end-stage chronic renal disease, arteriosclerotic heart disease, Type 2 Diabetes Mellitus, insulin dependent, chronic congestive heart failure, diabetic neuropathy and chronic disease type anemia. It further documented the patient was on hemodialysis 3 times per week.

The patient was admitted on an 1800 calorie (ADA) American Diabetes Association diet. There was no fluid restriction. The Physician also ordered Nepro at 40 (cc) cubic centimeters per hour per (peg) percutaneous gastrostomy tube.

Progress notes on 10/12/07, by the wound care nurse documented the left foot had an eschar covered heel extending to the plantar aspect of the foot. The sacral ulcer was 11 cm by 1.5 cm. It had necrotic tissue at the edges and "deep purplish discoloration".

The renal dialysis assessment dated 10/13/07 documented no intake although output data was kept to document how the patient was tolerating dialysis.

The nutrition assessment dated 10/13/07, revealed the albumin was low at 1.2 (g/dl) grams per deciliter (normal is 3.4-5.0). The diagnosis was "Decubitus Ulcer". The RD used 24 kcal/kg instead of 30-35 kcal/kg to calculate the patient's caloric need for an estimated 1800 calories/day instead of the 1900 calories using the protocol given above. The RD used 1.0-1.2 g/kg of protein of 1.5 g/kg for stage 3 or 4 or multiple decubitus ulcers. The patient's estimated protein requirement was 85-118 grams of protein instead of 95 grams of protein. The RD assessed fluid requirement at 1000 ml per day for hemodialysis patients instead of the

- Educated staff to clearly document rationale when deviation is made from normal standards.
- Develop monitoring tool for chart audits. (Attachment #17)
- Revised Nutrition Assessment and Reassessment Policy (Attachment #18)

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOS B. WING _____	(X3) DATE SURVEY COMPLETED 10/17/2007
---	---	---	---

NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL	STREET ADDRESS, CITY, STATE, ZIP CODE 6019 WALNUT GROVE ROAD MEMPHIS, TN 38120
---	--

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---	---------------------	--	----------------------------

minimum 1500 ml of fluid in the standard of practice. Physician progress notes documented the patient was not on a Physician ordered fluid restriction.

3. During an interview on 10/17/07, at 11:20 am, The Quality Assurance nurse confirmed the nursing care plans for this patient had very little documentation. During an interview on 10/17/07 at 11:15 AM, the RD stated the lower protein level was used in the nutrition assessment because, "I did not know the stage of the decubitus ulcer".

11/8/07



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781 B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

Rec 10/29/07
Resp. 11/4/07

October 25, 2007

Mr. Jason Little, Administrator
Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, TN 38120

Dear Mr. Little:

Enclosed is the Statement of Deficiencies, which was developed as a result of the full survey after a complaint, completed at your facility on October 18, 2007.

You are requested to submit a **Credible Allegation of Compliance** within ten (10) days after date of this letter with acceptable time frames for correction of the cited deficiencies. Corrective action must be achieved no later than forty-five (45) days from the date of the survey. Please notify this office when these deficiencies are corrected. A revisit must be conducted prior to the forty-fifth (45th) day to verify compliance. Once corrective action is confirmed, a favorable recommendation for re-certification will be considered.

The following Conditions of Participation have been found to be out of compliance:

A385

482.23

Nursing Services

Also, the following eight (8) standard level deficiencies cited for noncompliance: A166, A168, A175, A395, A396, A459, A468, and A630.

Based on noncompliance with the aforementioned Conditions of Participation, this office is recommending to the CMS Regional Office and/or State Medicaid Agency that your provider agreement be terminated effective January 18, 2008, which is ninety (90) days from the date of the survey. Please be advised that under the disclosure of survey information provisions, the Statement of Deficiencies will be available to the public.

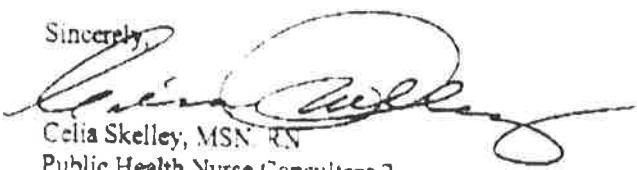
Your plan of correction must contain the following:

- How the deficiency will be corrected;
- How the facility will prevent the same deficiency from recurring.
- The date the deficiency will be corrected;
- How ongoing compliance will be monitored.

If there are any delays in completing your Plan of Correction, please notify this office in writing. Before the plan can be considered "acceptable," it must be signed and dated by the administrator.

Should you have questions or if there is any way this office may be of assistance, please do not hesitate to call 731-421-5113.

Sincerely,



Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CS/TW

Enclosure



STATE OF TENNESSEE
HEALTH SERVICES AND DEVELOPMENT AGENCY

500 Deaderick Street
Suite 850
Nashville, Tennessee 37243
741-2364

December 3, 2012

Arthur Maples, Director Strategic Analysis
Baptist Memorial Health Care Corporation
350 N. Humphreys Blvd.
Memphis, TN 38120

RE: Certificate of Need Application -- Baptist Memorial Hospital-Tipton d/b/a Baptist Center
for Cancer Care - CN1211-057

Dear Mr. Maples:

This is to acknowledge the November 30, 2012 receipt of supplemental information to your application for a Certificate of Need for the relocation of Baptist Center for Cancer Care (BCCC) from its approved site at 1238 and 1280 South Germantown Parkway, Germantown (Shelby County), TN 38138 to the building known as The Shops of Humphreys Center at 50 Humphreys Boulevard, Memphis (Shelby County), TN 38120. The proposed new location also includes space conveniently located in nearby buildings at 80 Humphreys Center and 6029 Walnut Grove Road. The Cancer Center project includes the relocation of a positron emission tomography (PET/CT) unit, initiation of linear accelerator services, and acquisition of major medical equipment and related assets currently owned and operated by Baptist Memorial Hospital-Memphis (BMHM). The project involves relocating from BMHM two (2) linear accelerators and other radiation oncology equipment along with the CyberKnife linear accelerator. One (1) of the existing linear accelerators to be relocated from BMHM will be replaced when installed at the BCCC. The PET/CT unit to be relocated to BCCC will be a replacement of the BMHT PET/CT currently located at 1945 Wolf River Blvd., Germantown (Shelby County), TN 38138. The hospital total Cancer Center space is approximately 153,200 square feet. The project does not involve the addition of beds or any service for which a Certificate of Need is required. The project cost is \$84,834,200.00.

Please be advised that your application is now considered to be complete by this office. Your application is being forwarded to the Tennessee Department of Health and/or its representative for review.

In accordance with Tennessee Code Annotated, §68-11-1601, et seq., as amended by Public Chapter 780, the 60-day review cycle for this project will begin on December 1, 2012. The first sixty (60) days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the sixty (60) day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review within the thirty (30)-day period immediately following. You will receive a copy of their findings. The Health Services and Development Agency will review your application on February 27, 2013.

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

- (1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.
- (2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,



Melanie M. Hill
Executive Director

MMH:MAB

cc: Tere Hendricks, Director, Division of Health Statistics




STATE OF TENNESSEE
HEALTH SERVICES AND DEVELOPMENT AGENCY

500 Deaderick Street
Suite 850
Nashville, Tennessee 37243
741-2364

MEMORANDUM

TO: Tere Hendricks, Director
Office of Policy, Planning and Assessment
Division of Health Statistics
Cordell Hull Building, 6th Floor
425 Fifth Avenue North
Nashville, Tennessee 37247

FROM: 
Melanie M. Hill
Executive Director

DATE: December 3, 2012

RE: Certificate of Need Application
Baptist Memorial Hospital-Tipton d/b/a Baptist Center for
Cancer Care - CN1211-057

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a sixty (60) day review period to begin on December 1, 2012 and end on February 1, 2013.

Should there be any questions regarding this application or the review cycle, please contact this office.

MMH:MAB

Enclosure

cc: Arthur Maples, Director Strategic Analysis



2012 NOV -9 AM 10:38

LETTER OF INTENT

TENNESSEE HEALTH SERVICES AND DEVELOPMENT AGENCY

The Publication of Intent is to be published in the Commercial Appeal which is a newspaper
(Name of Newspaper)

of general circulation in Shelby and other counties in, Tennessee, on or before November 10, 2012,
(County) (Month / day) (Year)

for one day.

=====

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that: Baptist Memorial Hospital-Tipton, General Hospital

(Name of Applicant)

(Facility Type-Existing)

owned by: Baptist Memorial Hospital-Tipton with an ownership type of non-profit corporation
and to be managed by: Baptist Memorial Hospital-Tipton intends to file an application for a Certificate of Need to relocate the Baptist Center for Cancer Care from its CON approved site at 1238 and 1280 South Germantown Parkway, Germantown, Tennessee 38138 to the building known as The Shops of Humphreys Center at 50 Humphreys Boulevard, Memphis, Tennessee 38120. The proposed new location also includes space conveniently located in nearby buildings at 80 Humphreys Center and 6029 Walnut Grove Road. The Cancer Center project includes relocation of a positron emission tomography (PET/CT) unit, initiation of linear accelerator services, and acquisition of major medical equipment and related assets currently owned and operated by Baptist Memorial Hospital-Memphis (BMHM). The project involves relocating from BMHM two (2) linear accelerators and other radiation oncology equipment along with the CyberKnife linear accelerator. One of the existing linear accelerators to be relocated from BMHM will be replaced when installed at the Baptist Center for Cancer Care. The PET/CT unit to be relocated to Baptist Center for Cancer Care will be a replacement of the BMHT PET/CT currently located at 7945 Wolf River Blvd, Germantown, TN 38138. The hospital total Cancer Center space is approximately 153,200 square feet. The project does not involve the addition of beds or any other service for which a certificate of need is required. The estimated project cost, by rule is \$ 84,834,200.

The anticipated date of filing the application is: November 15, 2012

The contact person for this project is Arthur Maples Director Strategic Analysis
(Contact Name) (Title)

who may be reached at: Baptist Memorial Health Care Corporation 350 N Humphreys Blvd
(Company Name) (Address)

Memphis
(City)

TN
(State)

38120
(Zip Code)

901 / 227-4137
(Area Code / Phone Number)

Arthur Maples
(Signature)

11/8/2012
(Date)

arthur.maples@bmhcc.org
(E-mail Address)

=====

The Letter of Intent must be filed in triplicate and received between the first and the tenth day of the month. If the last day for filing is a Saturday, Sunday or State Holiday, filing must occur on the preceding business day. File this form at the following address: Health Services and Development Agency

Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

Copy

Supplemental #1

Baptist Memorial Hospital- Tipton

CN1211-057

SUPPLEMENTAL- # 1

November 29, 2012

10:44am

SUPPLEMENTAL- # 1

November 29, 2012

10:44am

SUPPLEMENTAL RESPONSES

BAPTIST CENTER FOR CANCER CARE - RELOCATION

BAPTIST MEMORIAL HOSPITAL - TIPTON

CN1211-057

NOVEMBER 29, 2012
10:44am

November 29, 2012

10:44am

2012 NOV 29 AM 10 44

November 29, 2012

Phillip M. Earhart, Health Services Development Examiner
Health Services and Development Agency
Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, TN 37243

RE: Certificate of Need Application CN1211-057
Baptist Memorial Hospital – Tipton
Baptist Center for Cancer Care - Relocation

Dear Mr. Earhart

Enclosed are the responses to the need for clarification or additional discussion on items in the CON application referenced above.

Please contact me if you need additional information. Thank you for your attention.

Sincerely,

Arthur Maples *by DME*

Arthur Maples
Dir. Strategic Analysis

Enclosure

1. Section A. Item 9.

Please provide verification from the Secretary of State the corporation is still active.

Response:

Verification is provided by the following page found at the Tennessee Secretary of State website at:

<http://tnbear.tn.gov/Ecommerce/FilingDetail.aspx?CN=086064047185040016017109110018199040228119169069>



STATE OF TENNESSEE
Tre Hargett, Secretary of State
 Division of Business Services
 William R. Snodgrass Tower
 312 Rosa L. Parks AVE, 6th FL
 Nashville, TN 37243-1102

Filing Information

Name: **BAPTIST MEMORIAL HOSPITAL-TIPTON**

General Information

SOS Control # :	97064	Formation Locale: TENNESSEE
Filing Type:	Corporation Non-Profit - Domestic	Date Formed: 10/15/1980
Filing Date:	10/15/1980 4:30 PM	Fiscal Year Close 9
Status:	Active	
Duration Term:	Perpetual	
Public/Mutual Benefit:	Mutual	

Registered Agent Address

GREGORY M DUCKETT
 350 N HUMPHREYS BLVD
 MEMPHIS, TN 38120-2177

Principal Address

1995 HIGHWAY 51 S
 COVINGTON, TN 38019-3635

The following document(s) was/were filed in this office on the date(s) indicated below:

<u>Date Filed</u>	<u>Filing Description</u>	<u>Image #</u>
10/12/2012	2012 Annual Report	7103-0883
	Principal Postal Code Changed From: 38019 To: 38019-3635	
09/23/2011	2011 Annual Report	6941-2676
	Registered Agent Physical Address 1 Changed From: 350 N HUMPHRYES BLVD To: 350 N HUMPHREYS BLVD	
10/15/2010	2010 Annual Report	6782-2912
10/20/2009	2009 Annual Report	6613-2044
	Managed By Changed From: Member Managed To: No Value	
10/23/2008	2008 Annual Report	6391-2714
03/12/2008	Registered Agent Change (by Entity)	6242-2299
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
10/24/2007	2007 Annual Report	6150-0930
11/20/2006	2006 Annual Report	5892-0822
11/22/2005	Registered Agent Change (by Entity)	5614-0101
	Registered Agent Changed	
10/19/2005	2005 Annual Report	5587-0992

Filing Information

Name: **BAPTIST MEMORIAL HOSPITAL-TIPTON**

12/01/2004	2004 Annual Report	5291-1447
10/01/2003	2003 Annual Report	4924-0456
12/17/2002	2002 Annual Report	4677-0260
	Principal Address Changed	
07/31/2002	Administrative Amendment	4565-1576
	Mail Address Changed	
01/16/2002	2001 Annual Report	4395-2167
12/29/2000	2000 Annual Report	4074-1535
04/24/2000	CMS Annual Report Update	3894-1304
	Mail Address Changed	
	Fiscal Year Close Changed	
03/10/1999	CMS Annual Report Update	3641-1044
	Fiscal Year Close Changed	
12/22/1997	CMS Annual Report Update	3427-0950
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
05/15/1989	Administrative Amendment	1281-1027
	Mail Address Changed	
04/25/1989	Notice of Determination	ROLL 1253
11/28/1983	Articles of Amendment	450 03379
10/21/1983	Registered Agent Change (by Entity)	443 01428
	Registered Agent Physical Address Changed	
	Registered Agent Changed	
04/28/1982	Articles of Amendment	284 01048
	Principal Address Changed	
01/28/1982	Articles of Amendment	265 01185
10/15/1980	Initial Filing	182 00167

Active Assumed Names (If any)

Date

Expires

2. Section A. Item 5

Please provide a draft management contract for the proposed project.

Response:

Baptist Memorial Hospital- Tipton (BMHT) will manage the Cancer Center. A managing entity is not involved.

3. Section A. Item 6

Please provide the names of entities that own more than 5% of Baptist Memorial Hospital – Tipton.

Response:

BMHT is a non-profit organization and ownership or shares are not involved in the traditional sense. The sole member of BMHT is Baptist Memorial Health Care Corporation (BMHCC). BMHCC is also a non-profit organization with a corporate office located at 350 North Humphreys Blvd, Memphis, TN 38120. Information about BMHCC and about BMHT is available on the web at: www.bmhcc.org.

4. Section B, Project Description, Item 1

The increase in square footage from 109,921 sq. ft. with construction cost of \$64,925,225 in the original application (CN1105-018A) to 153,211 sq. ft. with construction cost of \$84,834,200 in this proposed project is noted. In addition, the increase in full-time employees (FTEs) from 77.28 to 92.88 is noted. Please explain why there is a 50% increase in square feet and the 30% in project costs while the need, service area, population, etc. appears to be the same as in the original application (CN1105-081A). What has changed in the area of need since the original application was filed?

Response:

In connection with the original application, should be noted that a modification to the original CON with changes in size and scope and cost was previously submitted and was withdrawn due to the change in location. That modification would have been heard by the HSDA this month. The changes are part of the process developing the details of how to best address the patient needs. Patient needs include expectations for high quality in a pleasant environment that provides continually advancing technologies.

Like other new settings that provide innovative combinations of activities, the integration of outpatient oncology services in one location leads to adjustments that will become more efficient over time. Allowances for that development and the anticipated effects of the synergies are required.

Some allowances are reflected in the professional participation and supportive staffing. For example, the medical staff has grown to 15 from the originally anticipated 9 and the potential participation of multiple groups of specialists will allow patient needs to be addressed more comprehensively in a coordinated manner.

An example of changes to meet needs is the additional laboratory equipment with substantially increased on-site capabilities. An example of anticipation of future change is the allowance of space for additional infusion therapy stations with acknowledgement of developments in oral oncolytics. Another change in this application is the inclusion of cost to upgrade both a linear accelerator and a PET/CT unit

How will this new facility be designed to accommodate the special needs of cancer patients i.e. - diet, healing, family support, informational resources, etc?

Response:

The relocation of the center, allows access to support services. A food deli, for example will be on the second floor of the new building. It will offer foods prepared for the raised sensitivities of the oncology patients.

Why is there boutique/retail space of \$1,000 sq. ft. and a 1,500 sq. ft. library in the original application (CN1105-018A) but not in this application?

Response:

A boutique and library that were in the original project are now accessible in the Women's hospital that is adjacent to the cancer center. The Boutique and library are operational and duplication is not required.

Please clarify if this application will also offer water features, sculptures, and long windows providing views into healing gardens as mentioned in the original application (CN1105-018A).

Response:

A large portion of the infusion area in the new location will have views to the existing lake. The space that will be renovated currently includes existing windows with a large expanse of glass that starts about 2 ft. above the floor and goes to the ceiling. The lake will have a fountain and the grounds will be arranged to provide an aesthetically pleasant appearance. If patients desire a more discreet location while receiving treatment, some cubicles will be arranged in smaller groupings.

Please clarify if the full continuum of cancer treatment and/or services will be available at this proposed location. What type of cancer treatment that is not associated with this proposed project would a patient have to seek elsewhere?

Response:

As described in the initial application, access to all outpatient services will be provided through the cancer center. Surgical inpatient services will continue to be provided at BMHM that is on an adjacent campus. Valet service that will be provided for parking is also available at the BMHM.

The applicant mentions "multi-D clinics. Please define a multi-D clinic in relation to this project.

Response:

The new center configuration includes space in surrounding professional office buildings where physicians from various disciplines/specialties can congregate to visit a single patient. The clinic, referred to as a "Multi D" clinic provides convenience for the patient by reducing multiple visits to individual physicians involved in choosing and initiating therapies. Professionals from Multiple Disciplines are able to meet the same patient and discuss a treatment plan. One of the locations for a Multi D clinic is in a physician office building that is connected to BMHM.

The applicant mentions three Oncology foundations have joined Baptist Medical Group since the approval of CN1105-018A. Please identify these foundations and how these affiliations will enhance this relocation project.

Response:

The 3 foundations are Boston Baskin Cancer Foundation, Family cancer Foundation and Integrity Oncology Foundation.

The applicant states the proposed location for the facility will improve patient and staff access to other complex services that a cancer patient may need at Baptist Memorial Hospital Memphis (BMHM). Please provide the following information regarding BMHM:

- Where is the location of BMHN in relation to the proposed project?
- Please provide a brief summary of the services offered at BMHM.
- How many beds are currently licensed and staffed at BMHN.

Response:

The proposed cancer center has access to the adjacent campuses of both BMHM and BMHW from the new proposed location. The inpatient capability of BMHW is 140 beds that include a NICU and pediatric service. The 706 beds at BMHM also include a separately licensed long term care hospital and skilled nursing facility in the same building. With all providers combined, the continuum of care is available and adding the cancer center extends any access that may be required.

There appears to be a Baptist Memorial Health Care Corporation building located nearby on N. Humphreys Blvd, Memphis, TN and Walnut Grove Baptist Hospital East, located on Walnut Grove Road, Memphis, TN. Please indicate the relationship of these properties, if any, to the applicant.

Response:

These properties are a gasoline and convenience store and a Wendy's restaurant. Presently, there is no relationship with these properties by the hospitals.

What type of cancer treatment services are currently provided by BMHN at the current site and the proposed site location of BMHT?

Response:

BMHM provides radiation oncology and the location is across the drive from the proposed cancer center. Surgery is also provided at BMHM.

Where is the closest cancer center offering similar services to the new proposed location?

Response:

No other local comprehensive outpatient oncology service is in the area. The other Cancer Services such as the West Clinic that is about a mile away does not offer the same services in one location.

5. Section B. Item II A.

The square footage and cost per square footage chart is noted. There was originally 2,168 square feet devoted to registration. Please explain why there are no registration areas in the proposed project.

Response:

Registration is planned to be decentralized and will occur at each point of service. Patients will go directly to the location of their appointment and registration will be handled electronically. Privacy needs will be provided at each location. Support service from a technician, when needed, for the registration function will be provided at the service location from members of a registration system staff.

6. Section B.II (Project Description)

Please describe the parking access to the facility. Please include approximate number and location at relation to the facilities.

The plot plan indicates there is an existing cancer center located next to the proposed project. What services exist there now and what role will this building play in this proposed project?

What is located now in the space where the proposed newly constructed cancer center will be located?

Response:

Parking access will be supported by surface parking around the building and by valet service for patients.

The plot plan on the following page indicates the location of the proposed cancer center, other hospitals, medical office buildings and parking. The building that will be renovated for the cancer center is now a center with mixed occupants including a restaurant, business offices, a rehabilitation department of the hospital and the Women's Health Center. The Women's Health Center will not relocate.

The drawing also indicates the location of the BMHM Radiation Oncology Center that is across the drive from the new cancer center. It is currently located in an older building that cannot be reasonably renovated to accommodate new radiation therapy equipment requirements. Currently, potential uses for the older building include office space.



- A. 50 Humphreys Center
B. 80 Humphreys Center
C. 6029 Walnut Grove

SCALE: 1:100

7. Section B, Project Description Item III.A.(Plot Plan)

A portion of the plot plan labels are too small to read. Please provide a plot plan with legible labels.

Please also indicate the size of the site in acres.

Please provide a supplemental simple plot plan that clearly identifies the location of 50 Humphreys Boulevard, 80 Humphreys Center and 6029 Walnut Grove Road, Memphis, TN 38120.

Response:

A Supplemental Plot Plan is provided before this page.

8.Section B, Project Description Item III.B.1

Please indicate the distance from major highways and the Interstate System.

Response:

One side of the cancer center campus is along Humphreys Boulevard. Humphreys Boulevard intersects with Walnut Grove Road and a left turn onto Walnut Grove Road leads to Interstate I-240 that is approximately 1 mile away. The Interstate entrance ramp sign is visible from the intersection.

Public transportation is available from a designated bus stop on Walnut Grove in front of BMHM.

9. Section C. Need Item 4a. (Service Area Demographics)

The applicant appears to be relocating approximately 5.3 miles farther away from the population center of Memphis. Please elaborate on how this proposed relocation will benefit those residing in the downtown Memphis area keeping in mind the additional traveling distance.

Response:

The new location is actually 3.236 miles closer to the centroid of the Shelby County population coordinates provided by the US Census bureau. So, it is closer to the population center of the service area. Both locations have excellent access along major roadways. The new location is also closer to the interstate.

The benefit of the new location to the cancer patient is due to the proximity of medical services at BMHM.

10 Section B. Need Items 6

The applicant is projecting 11,796 procedures in Year One. The projected data chart reflects 11,796 procedures in Year Two. Please clarify.

Response:

A typographical error has been corrected and replacement page 23 follows.

5. Describe the existing or certified services, including approved but unimplemented CONs of similar institutions in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. Be certain to list each institution and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: admissions or discharges, patient days, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc.

Response

In addition to the CyberKnife for BMH-Memphis, the applicant believes that only one other CON that is related to Cancer Care has been approved and is yet unimplemented. In July 2008, the HSDA approved acquisition of a CyberKnife Stereotactic Radiosurgery System to be installed at the main campus of St Francis Hospital in Memphis (CN803-023A).

For utilization of existing radiation therapy and PET/CT services, see Attachment Need, 5.

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three (3) years and the projected annual utilization for each of the two (2) years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology **must include** detailed calculations or documentation from referral sources, and identification of all assumptions.

Response

As previously described, a growth rate of oncology utilization was calculated to be approximately 1.98% per year for Tennessee and less for patients from other states. To allow for construction, a period of about 36 months is allowed between 2011 and Year 1 shown below.

Year	Treatments
2,008	11,624
2,009	11,352
2,010	10,989
2,011	11,423
Year 1	11,796
Year 2	11,980
Year 3	12,167

11. Section C. (Economic Feasibility) Item 4 (Historical Data Chart)

Please provide the utilization data for A. Utilization Data (Specify unit of Measure). Also, please change the word "date" to "data" on line A.

Please specify E. Other Revenue (Expenses) that increases from \$819,939 in 2008 to \$1,752,126 in 2011.

Please clarify why there were two submitted historical charts.

Response:

Two charts were submitted because a request was made with another recent application to complete the extended version in addition to the version provided in the packet.

The increase in line E is due to interest income.

Two historical charts were submitted for the same reason explained above. The applicant assumed that both charts would be requested for all applications since a recent CON submission requested completion of the additional expanded version.

HISTORICAL DATA CHART

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in _____ month.

2012 NOV 29 PM 10:45

	Year 2008	Year 2009	Year 2010	Year 2011
A. Utilization Data (Inpatient Days: Outpatient Visits)	7,171: 42,353	6,424: 40,379	5,664: 36,662	5,038: 37,265
B. Revenue from Services to Patients				
1. Inpatient Services	\$ 22,943,269	\$ 21,460,333	\$ 19,238,693	\$ 19,396,778
2. Outpatient Services	\$ 47,112,973	\$ 45,892,723	\$ 49,067,306	\$ 54,929,675
3. Emergency Services				
4. Other Operating Revenue (specify) <u>cafeteria, gift shop, etc.</u>	\$ 507,428	\$ 502,756	\$ 463,907	\$ 493,137
Gross Operating Revenue	\$ 70,563,670	\$ 67,855,812	\$ 68,769,906	\$ 74,819,590
C. Deductions from Gross Operating Revenue				
1. Contractual Adjustments	\$ 37,762,189	\$ 36,091,391	\$ 37,627,340	\$ 42,125,561
2. Provision for Charity Care	\$ 1,788,014	\$ 2,805,418	\$ 3,986,863	\$ 4,690,265
3. Provision for Bad Debt	\$ 5,288,103	\$ 4,713,416	\$ 4,604,932	\$ 4,996,860
Total Deductions	\$ 44,838,306	\$ 43,610,225	\$ 46,219,135	\$ 51,812,686
NET OPERATING REVENUE	\$ 25,725,364	\$ 24,245,587	\$ 22,550,771	\$ 23,006,904
D. Operating Expenses				
1. Salaries and Wages	\$ 13,530,057	\$ 12,571,662	\$ 12,297,694	\$ 12,754,919
2. Physician's Salaries and Wages	\$ 222,648	\$ 240,794	\$ 262,055	\$ 179,378
3. Supplies	\$ 10,275,411	\$ 9,362,462	\$ 8,330,785	\$ 8,953,434
4. Taxes	\$ 40,026	\$ 44,616	\$ 44,616	\$ 44,616
5. Depreciation	\$ 1,158,604	\$ 1,098,512	\$ 1,149,973	\$ 1,087,257
6. Rent	\$ -	\$ -	\$ -	\$ -
7. Interest, other than Capital	\$ -	\$ -	\$ -	\$ -
8. Other Expenses (Specify) <u>energy</u>	\$ 654,648	\$ 699,263	\$ 678,669	\$ 705,259
Total Operating Expenses	\$ 25,881,394	\$ 24,017,309	\$ 22,763,792	\$ 23,724,863
E. Other Revenue (Expenses) - Net (Specify)	\$ 819,939	\$ 915,217	\$ 1,088,783	\$ 1,752,126
NET OPERATING INCOME (LOSS)	\$ 663,909	\$ 1,143,495	\$ 875,762	\$ 1,034,167
F. Capital Expenditures				
1. Retirement of Principal				
2. Interest				
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ -
NET OPERATING INCOME (LOSS)				
LESS CAPITAL EXPENDITURES	\$ 663,909	\$ 1,143,495	\$ 875,762	\$ 1,034,167

HISTORICAL DATA CHART

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in OCT (Month)

2012 NOV 29 AM 10 45

	Year 2008	Year 2009	Year 2010	Year 2011
A. Utilization Data (Inpatient Days: Outpatient Visits)	7,171: 42,353	6,424: 40,379	5,654: 36,662	5,038: 37,265
B. Revenue from Services to Patients				
1. Inpatient Services	\$ 22,943,269	\$ 21,460,333	\$ 19,238,693	\$ 19,396,778
2. Outpatient Services	\$ 47,112,973	\$ 45,892,723	\$ 49,067,306	\$ 54,929,675
3. Emergency Services				
4. Other Operating Revenue (specify) <u>cafeteria, gift shop, etc.</u>	\$ 507,428	\$ 502,756	\$ 463,907	\$ 493,137
Gross Operating Revenue	\$ 70,563,670	\$ 67,855,812	\$ 68,769,906	\$ 74,819,590
C. Deductions from Gross Operating Revenue				
1. Contractual Adjustments	\$ 37,762,189	\$ 36,091,391	\$ 37,627,340	\$ 42,125,561
2. Provision for Charity Care	\$ 1,788,014	\$ 2,805,418	\$ 3,986,863	\$ 4,690,265
3. Provision for Bad Debt	\$ 5,288,103	\$ 4,713,416	\$ 4,604,932	\$ 4,996,860
Total Deductions	\$ 44,838,306	\$ 43,610,225	\$ 46,219,135	\$ 51,812,686
NET OPERATING REVENUE	\$ 25,725,364	\$ 24,245,587	\$ 22,550,771	\$ 23,006,904
D. Operating Expenses				
1. Salaries and Wages	\$ 13,530,057	\$ 12,571,662	\$ 12,297,694	\$ 12,754,919
2. Physician's Salaries and Wages	\$ 222,648	\$ 240,794	\$ 262,055	\$ 179,378
3. Supplies	\$ 7,683,819	\$ 6,702,698	\$ 5,625,469	\$ 5,996,934
4. Taxes	\$ 40,026	\$ 44,616	\$ 44,616	\$ 44,616
5. Depreciation	\$ 1,158,604	\$ 1,098,512	\$ 1,149,973	\$ 1,087,257
6. Rent				
7. Interest, other than Capital				
8. Management Fees:				
a. Fees to Affiliates	\$ 2,591,592	\$ 2,659,764	\$ 2,705,316	\$ 2,956,500
b. Fees to Non-Affiliates				
9. Other Expenses (Specify on separate page)	\$ 654,648	\$ 699,263	\$ 678,669	\$ 705,259
Total Operating Expenses	\$ 25,881,394	\$ 24,017,309	\$ 22,763,792	\$ 23,724,863
E. Other Revenue (Expenses) - Net (Specify)	\$ 819,939	\$ 915,217	\$ 1,088,783	\$ 1,752,126
NET OPERATING INCOME (LOSS)	\$ 663,909	\$ 1,143,495	\$ 875,762	\$ 1,034,167
F. Capital Expenditures				
1. Retirement of Principal				
2. Interest				
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ -
NET OPERATING INCOME (LOSS)				
LESS CAPITAL EXPENDITURES	\$ 663,909	\$ 1,143,495	\$ 875,762	\$ 1,034,167

HISTORICAL DATA CHART-OTHER EXPENSES

<u>OTHER EXPENSES CATEGORIES</u>	Year 2008	Year 2009	Year 2010	Year 2011
1. Energy Expenses	\$ 654,648	\$ 699,263	\$ 678,669	\$ 705,259
2				
3				
4				
5				
6				
7				
Total Other Expenses	\$ 654,648	\$ 699,263	\$ 678,669	\$ 705,259

PROJECTED DATA CHART-OTHER EXPENSES

<u>OTHER EXPENSES CATEGORIES</u>	Year 1	Year 2
1. Maintenance	\$ 754,960	\$ 1,344,115
2. Outside Professional Services	\$ 786,763	\$ 605,559
3. Billing	\$ 1,340,340	\$ 1,399,383
4. Marketing	\$ 750,000	\$ 750,000
5. Utilities, Janitorial, etc	\$ 1,399,967	\$ 1,441,966
6. Other	\$ 2,980,535	\$ 3,129,735
7		
Total Other Expenses	\$ 8,012,565	\$ 8,670,758

12. Section C, Economic Feasibility, Item 3

2012 NOV 29 AM 10 45

Please compare this project's cost per square foot to cost per square foot ranges of previously approved projects found in the "Applicant's Toolbox" on the HSDA website (www.tn.gov/hsda) or provide specific examples supporting the reasonableness of proposed project costs.

Response:

The overall total cost of this project as reflected in the Square Footage and Cost Per Square Footage Chart is approximately \$251 per sq ft.

The chart from the Tool Box shown below indicates that the total cost of this project of \$251 is approximately at the median cost of \$250 per sq ft for hospital construction.

Hospital Construction Cost Per Square Foot
Years: 2009 – 2011

	Renovated Construction	New Construction	Total Construction
1st Quartile	\$125.84/sq ft	\$235.86/sq ft	\$167.99/sq ft
Median	\$177.60/sq ft	\$274.63/sq ft	\$249.32/sq ft
3rd Quartile	\$273.69/sq ft	\$324.00/sq ft	\$301.74/sq ft

Source: CON approved applications for years 2009 through 2011

13. Section C. (Economic Feasibility) Item 4 (Projected Data Chart)

Please explain the reason why there are two projected data charts where one has a management fee category (page 30) and the other does not (page 28).

Response:

Two projected charts are provided because the expanded chart was requested for another recent application. The applicant's assumption was that the expanded chart would be requested again.

The utilization data for A. Rac Onc Treatments (includes cyberknife) does not match the calculations on page 23 under Section B. Need Item 6. Please clarify.

Response:

A typographical error on page 23 referred to 2010 on the line above the table. It has been corrected to 2011 and a replacement page is provided numbered 23R. A transcription error occurred when information was transferred onto both versions of the projected data charts. The error was in the "A. Utilization Data". The corrected data have been entered for all categories and replacement pages are provided for both Charts. The pages are numbered 28R and 30R.

The Project Completion Forecast Chart projects the initiation of service in June 2015. The applicant projects 783 PET procedures in Year 1 on the Projected Data Chart (2015) and 797 in Year Two (2016). On page 116 of the application the applicant projects 783 PET procedures in 2014 and 797 in 2015. Please clarify.

Response:

Page 116 is in two sections. The upper half of the page reflects Utilization that was included in the original application. The Lower portion reflects data in the current application. Both versions of the projected data chart now reflect 2,296 PET/CT procedures in Year 1 and 2,342 procedures in Year 2 which was the utilization used in preparing the projection. Other amounts on the projected data are unchanged.

The Projected Data Chart projects \$220,414 for physician's salaries in Year One.

How many FTEs does this figure represent?

Response:

The figure represents approximately 0.70 FTE's

PROJECTED DATA CHART

2012 NOV 29 AM 10 45

Give information for the last two (2) years following the completion of this proposal.

The fiscal year begins in OCT (Month)

	Year 1	Year 2
A. Utilization Data (Specify unit of measure)		
Chemotherapy Patients	816	833
Rad Onc Treatments	11,796	11,980
PET	2,296	2,342
B. Revenue from Services to Patients		
1. Inpatient Services	\$ 1,946,019	\$ 2,012,265
2. Outpatient Services	\$ 160,349,746	\$ 166,921,281
3. Emergency Services		
4. Other Operating Revenue (specify)		
Gross Operating Revenue	\$ 162,295,765	\$ 168,933,546
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	\$ 95,671,544	\$ 99,587,196
2. Provision for Charity Care	\$ 4,534,643	\$ 4,722,402
3. Provision for Bad Debt	\$ 5,031,789	\$ 5,237,560
Total Deductions	\$ 105,237,976	\$ 109,547,158
NET OPERATING REVENUE	\$ 57,057,789	\$ 59,386,388
D. Operating Expenses		
1. Salaries and Wages	\$ 11,133,610	\$ 11,573,055
2. Physician's Salaries and Wages	\$ 220,414	\$ 229,430
3. Supplies	\$ 23,834,110	\$ 24,979,500
4. Taxes		
5. Depreciation	\$ 4,919,753	\$ 4,919,753
6. Rent		
7. Interest, other than Capital		
8. Other Expenses (maint, contract, util, billing mktg)	\$ 8,012,565	\$ 8,670,758
Total Operating Expenses	\$ 48,120,452	\$ 50,372,496
E. Other Revenue (Expenses) - Net (Specify)		
NET OPERATING INCOME (LOSS)	\$ 8,937,337	\$ 9,013,892
F. Capital Expenditures		
1. Retirement of Principal		
2. Interest		
Total Capital Expenditures		
NET OPERATING INCOME (LOSS)		
LESS CAPITAL EXPENDITURES	\$ 8,937,337	\$ 9,013,892

PROJECTED DATA CHART

Give information for the last two (2) years following the completion of this proposal.
 The fiscal year begins in 2012 NOV 29 90 10 45 (Month)

	Year 1	Year 2
A. Utilization Data (Specify unit of measure)		
Chemotherapy Treatments	816	833
Rac Onc Treatments (includes cyberknife)	11,796	11,980
PET	2,296	2,342
B. Revenue from Services to Patients		
1. Inpatient Services	\$ 1,946,019	\$ 2,012,265
2. Outpatient Services	\$ 160,349,746	\$ 166,921,281
3. Emergency Services		
4. Other Operating Revenue (specify) _____		
Gross Operating Revenue	\$ 162,295,765	\$ 168,933,546
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	\$ 95,671,544	\$ 99,587,196
2. Provision for Charity Care	\$ 4,534,643	\$ 4,722,402
3. Provision for Bad Debt	\$ 5,031,789	\$ 5,237,560
Total Deductions	\$ 105,237,976	\$ 109,547,158
NET OPERATING REVENUE	\$ 57,057,789	\$ 59,386,388
D. Operating Expenses		
1. Salaries and Wages	\$ 11,133,610	\$ 11,573,055
2. Physician's Salaries and Wages	\$ 220,414	\$ 229,430
3. Supplies	\$ 23,834,110	\$ 24,979,500
4. Taxes		
5. Depreciation	\$ 4,919,753	\$ 4,919,753
6. Rent		
7. Interest, other than Capital		
8. Management Fees:		
a. Fees to Affiliates		
b. Fees to Non-Affiliates		
9. Other Expenses (Specify on separate page)	\$ 8,012,565	\$ 8,670,758
Total Operating Expenses	\$ 48,120,452	\$ 50,372,496
E. Other Revenue (Expenses) - Net (Specify)		
NET OPERATING INCOME (LOSS)	\$ 8,937,337	\$ 9,013,892
F. Capital Expenditures		
1. Retirement of Principal		
2. Interest		
Total Capital Expenditures	\$ -	\$ -
NET OPERATING INCOME (LOSS)		
LESS CAPITAL EXPENDITURES	\$ 8,937,337	\$ 9,013,892

14 Section C. (Economic Feasibility) Item 5

The average charge, average deduction and average net do not appear to be correct. Please recheck and revise if needed.

Response:

The amounts in Item 5 are based on radiation therapy services to a radiation therapy patient and are correct according to calculations.

15. Section C. (Contribution to Orderly Development) Item 3 (Staffing)

The projected staffing of 92.88 FTE's is noted. The projected data chart list \$11,133,610 for salaries/wages in Year One of the proposed project. This averages to \$119,870 per employee per year. Is this amount possibly overstated?

Response:

The chart was completed for jobs that have specific patient care requirements and administrative FTE's are not included in the staffing at 92.88 FTEs. The total FTEs are 114.48. Using 114.48 as the FTE number, the wage and benefit average per FTE averages to \$97,253.76 per FTE. The number also includes a benefit amount which is budgeted at an additional 30%. Adjusting the total by removing the benefit amount benefits gives an average of \$74,810 per employee per year.

Radiologists appear to not be included in the anticipated staffing pattern. Please indicate why they are not included. If not, how will radiological tests be interpreted?

Response:

The radiologists group bills patients for service. Since neither revenues nor expenses come through the cancer center, the job was not included.

Please compare the clinical staff salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor and Workforce Development and/or other documented sources.

Response:

Source: Tennessee Department of Labor & Workforce Development, Employment Security Division, Labor Market Information. Publish date May 2012.

Job Title	BMH Wage	Mean wage	Entry wage	Exp. wage	25th pct	Median wage	75th pct
Registered Nurse	31.81	31.7	23.55	35.8	25.1	29.35	34.75
Pharmacist- Clinical	58.2	55.5	45.15	60.65	51.2	57.65	65.35
Pharmacy Technician	19.51	13.95	10.15	15.8	10.95	13.55	16.75
Respiratory Therapist	23.51	23.55	19.85	25.4	20.65	23.5	26.7
Radiology Technologist	27.8	24.8	19.75	27.35	21.05	24.4	28.05
Medical Technologist	29.51	28	21.75	31.15	24.05	27.85	32.7

16. Project Completion Forecast Chart

The complete the "days required" section for each phase of the proposed project.

PROJECT COMPLETION FORECAST CHART

Enter the Agency projected Initial Decision date, as published in T.C.A. § 68-11-1609(c): Feb 27, 2013

Assuming the CON approval becomes the final agency action on that date; indicate the number of days from the above agency decision date to each phase of the completion forecast.

<u>Phase</u>	<u>DAYS REQUIRED</u>	<u>Anticipated Date (MONTH/YEAR)</u>
1. <u>Architectural and engineering contract signed</u>	<u>10</u>	<u>03/2013</u>
2. <u>Construction documents approved by the Tennessee Department of Health</u>	<u>55</u>	<u>04/2013</u>
3. <u>Construction contract signed</u>	<u>70</u>	<u>05/2013</u>
4. <u>Building permit secured</u>	<u>90</u>	<u>05/2013</u>
5. <u>Site preparation completed</u>	<u>150</u>	<u>07/2013</u>
6. <u>Building construction commenced</u>	<u>210</u>	<u>09/2013</u>
7. <u>Construction 40% complete</u>	<u>420</u>	<u>04/2014</u>
8. <u>Construction 80% complete</u>	<u>640</u>	<u>11/2014</u>
9. <u>Construction 100% complete (approved for occupancy)</u>	<u>760</u>	<u>03/2015</u>
10. <u>*Issuance of license</u>	<u>830</u>	<u>06/2015</u>
11. <u>*Initiation of service</u>	<u>850</u>	<u>06/2015</u>
12. <u>Final Architectural Certification of Payment</u>	<u>890</u>	<u>08/2015</u>
13. <u>Final Project Report Form (HF0055)</u>	<u>960</u>	<u>10/2015</u>

* For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

Copy

Supplemental #1

Baptist Memorial Hospital - Tipton

CN1211-057

November 29, 2012

4:03pm

2012 NOV 30 PM 4 03

November 30, 2012

Phillip M. Earhart, Health Services Development Examiner
Health Services and Development Agency
Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, TN 37243

RE: Certificate of Need Application CN1211-057
Baptist Memorial Hospital – Tipton
Baptist Center for Cancer Care - Relocation

Dear Mr. Earhart

As discussed by phone, enclosed are 3 copies of a replacement page for the supplemental information.

Please contact me if you need additional information. Thank you for your attention.

Sincerely,

Handwritten signature of Arthur Maples in black ink, with a stylized 'cw' or similar mark at the end.

Arthur Maples
Dir. Strategic Analysis

Enclosure

14 Section C. (Economic Feasibility) Item 5

2012 NOV 30 PM 4 03
The average charge, average deduction and average net do not appear to be correct. Please recheck and revise if needed.

Response:

The amounts given as an example are based on radiation therapy services and are correct according to projections.

The CON application states "Please identify the project's average gross charge, average deduction from operating revenue, and average net charge." The applicant provided an example of radiation therapy services that are a component of the proposed Cancer Center. A supplemental question about the accuracy of the data was asked because of difficulty in connecting the case example to the projected data chart.

Isolating a specific modality's charges to a line on the projected data chart is very difficult. Cancer can be treated in a variety of ways. A combination of therapies is commonly used. The CON application discusses multi-disciplinary (multi-D) teams of physicians and specialists who design individualized treatment plans that may include several types of therapies.

A patient may receive radiation therapy combined with some infusion therapy. Imaging studies such as PET/CT will likely be included. An average amount per patient can apply to a broad mix of modalities. As a general reference, a page from a website from a health care system in another state follows this page.



SENTARA®

Hampton Roads
2012 NOV 30 PM 4:03
[Home](#) [Services](#) [Cancer](#) [Treatment Modalities](#)

Treatment Modalities

The physical and emotional effects of cancer treatment can be significant. The good news is that help is available from the many people in the Sentara Cancer Network. It is also important to remember that you are the most important member of your health care team. You should not be afraid to ask questions about what you are getting and who is providing it.



Cancer can be treated in a variety of ways. Often a combination of therapies is the best way to fight the disease. Our multi-disciplinary team of physicians and specialists designs an individualized treatment plan especially for you that may include several types of therapies. We offer many innovative and state-of-the-art methods of cancer treatment.

Treatments may include:

► **Diagnostic Imaging** — The use of radiant energy, including x-rays, radium, cobalt and nuclear medicine applications, in the diagnosis and treatment of diseases. Find out [where to go for Diagnostic Imaging at Sentara](#). You can also get [patient instructions for PET-CT](#), a common diagnostic tool for cancer treatment.

► **Radiation Oncology** — The diagnosis and treatment of cancer by means of various radiation and other imaging procedures (e.g., x-rays, CT scans, MRI's, mammography, ultrasound) in combination with personal care. Find out [where to go for Radiation Oncology at Sentara](#).

► **Advanced Therapy** — Sentara offers many advanced and targeted cancer therapies, including new treatments such as [Selective Internal Radiation \(SIR\) Spheres Therapy](#).

► **Medical Oncology** — The study and treatment of cancer using chemicals (chemotherapy), biological products or immunotherapy. Find out [where to go for Medical Oncology treatment from our partners at Virginia Oncology Associates](#).

► **Surgery** — A medical procedure involving an incision with instruments; performed to remove or repair a part of the body or to determine if disease is present. Find out [more about the Sentara Medical Group surgical oncologists](#).

► **Reconstruction** — The rebuilding of a body part or joint.

► **Pathology** — The scientific study of the nature of disease and its causes, processes, development, and consequences.

► **Genetics** — The study of inheritance patterns of specific traits. Find out [more about genetics studies from our partners at Virginia Oncology Associates](#).

► **Rehabilitation** — The restoration of, or improvement in, a person's health and well being with the goal of returning the person to the highest level of function, independence and quality of life possible. For more information on rehab at Sentara, visit the [Sentara Therapy Services](#).

► **Home Care** — A broad range of special services provided to assist a person with a chronic disability or illness, living in the community. For more information on Sentara Home Care services, visit [Sentara Home Care](#).

► **Hospice** — A program that provides special care for people who are near the end of life and for their families, either at home, in freestanding facilities, or within hospitals. Hospice care addresses emotional, social, financial, and spiritual

Sentara offers many sophisticated diagnostic tools to identify cancer at its earliest, most treatable stages. Every hospital and freestanding center within the Sentara Cancer Network offers a range of sophisticated screening technologies.

► Find out [where these services are offered at Sentara](#) (PDF file).

needs of patients and their families. For more information on hospice services, visit the [Sentara Hospice Program](#).

SUPPLEMENTAL- # 1a**November 29, 2012****4:03pm**

► **Palliative Care** — Care given to improve the quality of life of patients who have a life-threatening disease. Palliative care is used to treat disease symptoms, side effects caused by treatment, and psychological, social, and spiritual problems related to the disease. Also called comfort care, supportive care, and symptom management. For more information on palliative care services, visit [Sentara Hospice Program](#).

► **Clinical Trials** — Research studies that involve patients aimed at finding better ways to prevent, detect, diagnose or treat a specific disease, in this case, cancer.

Integrative Therapies

For some patients it can be beneficial to combine conventional treatment modalities with holistic approaches related to diet, lifestyle, exercise, stress care and nutrition. Some complementary therapies may help relieve certain symptoms of cancer, relieve side effects of cancer therapy, or improve a patient's sense of well-being. Examples might include: drinking peppermint tea for nausea or engaging in massage therapy, yoga or meditation to reduce stress. If you're interested in trying a complementary approach, contact your physician or health care team to see what is available and what may be appropriate for you.